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ABSTRACT

This document is a statistical report of the state and local revenue potentials and utilization of major tax sources. Statistical data for all 50 states and, since 1971, for the District of Columbia indicate that both collections and unutilized potential increased significantly from 1972 to 1973. The growth in collections was primarily due to economic growth (personal income) rather than adoption of higher rates and broader tax bases. Thus unutilized potential was permitted to grow along with collections. The growth in two measures was not evenly distributed. Regions stressing income taxes rather than property or sales taxes tended to experience the most impressive growth. (Author/MJM)

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STATE AND LOCAL REVENUE POTENTIAL, 1973

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1974

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FOREWORD

As usual in this annual review of revenue potentials, the analytical spotlight which Dr. Quindry and his colleagues have focused upon the tax practices of the states has yielded a wealth of information, particularly for the Southern states. The emphasis, again, is on underutilized tax potential and again "the greatest percentages of underutilization are found in the SREB states."

Budgets of state-supported colleges and universities must reflect the reality of steadily increasing pressure for state support by public services competing with higher education. This applies to the South as elsewhere, but in the Southern states tax revenues comprise just 9.9 percent of personal income, compared with 11.4 in the nation.

Reports on ways in which the annual SREB analyses of revenue trends and patterns are used by state agency and educational planners and administrators help the authors focus more sharply on the issues which need attention. We welcome the continuation of this type of feedback.

The Center for Business and Economic Research at the University of Tennessee has helped make possible this analysis by generously providing for the use of computer facilities and making available the services of Stanley Chervin who wrote the program.

Winfred L. Godwin
President

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INTRODUCTION

This is the seventh consecutive year in which the Southern Regional Education Board has presented a statistical report of state and local revenue potentials and utilization of major tax sources.[1] The reports include statistical data for all 50 states and, since 1971, for the District of Columbia. Statistical comparisons are made to serve as a guide to states which may wish to seek more (or less) revenue than their present tax structure yields, or to revise their tax structures to meet the ever-new and more costly expenditure demands with increased equity.

It is *not* the purpose of this series of reports, nor is it the intent in any fashion, to suggest or recommend that public officials should search out new ways of increasing tax revenues or that any particular state should reform its revenue structure. Neither is it the purpose or intent to suggest that a particular state should strive to achieve the averages in tax effort upon which the analyses and comparisons are built. Particular conditions in any state may dictate that a state should either exceed or fall short of the computed averages. It is the duty of each state's officials to evaluate its ability and effort in taxation and its needs or demands for public services and then to decide on the state's course of action. The worth of the reports lie in their value as references and guides to

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1. Previous to 1967, the SREB presented similar statistical reports covering the SREB states in 1958 and 1962 and The National Education Association produced a report similar to the current SREB series for all states in 1961.

aid public officials in making the proper decisions should they seek to alter revenue receipts or to change the relative reliance on tax sources.

The financial problems of states and localities are far from solved in spite of reports of aggregate budget surpluses in recent years. These aggregate statistics mask the fact that some jurisdictions continue to experience financial difficulties while others have been able to grant tax relief and expand public services. They also mask the fact that several states still depend heavily on tax sources that are highly regressive and respond poorly to economic growth.[2]

Three reasons account in large part for the comfortable fiscal situation in 1973. First, the introduction of federal general revenue sharing injected a sizable amount of money into the treasuries of states and localities late in 1972 and in 1973. The 1972 funds came late in the year and remained largely unbudgeted at the beginning of 1973. Second, during the period of unusual economic growth and inflation, changes in public service levels lagged behind revenue

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2. A tax is *regressive* if the tax liability as a percentage of income increases as taxpayer income decreases. A tax is *proportional* if the tax as a percentage of income remains constant at all levels of income. A tax is *progressive* if the tax as a percentage of income increases as income increases. That is, a regressive tax places a greater tax burden on low income taxpayers (as a percentage of income) than on high income taxpayers. A progressive tax places the greater relative burden on the high income taxpayer and a proportional tax places an equal burden by this measure on all taxpayers.

A tax is assumed to respond well to economic growth if its revenue grows at a rate faster than the economic measure used. Thus, if personal income grows by one percent and tax revenue grows in excess of one percent the tax responds well to economic growth. If tax revenue is proportionally less than income growth, the tax does not respond well to income growth.

increases resulting from growth and inflation. Expenditure decisions remained conservative and tax structures, even the regressive ones, responded well to economic change. Third, many (but not all) states have strengthened their tax structures by enactments that create a system more responsive to growing levels of nominal economic activity.

However, when the nation returns to a more normal growth pattern, expenditure demands again can be expected to exceed revenues at current rates. The extent to which it may become necessary or desirable to raise additional revenue in future years depends upon the extent of expenditure programs and the responsiveness of the tax structure. In some jurisdictions, officials may have been lulled into a false sense of security by recent budget surpluses. They may have adjusted taxes downward or instituted new and costly expenditure programs. Either action can be expected to lead to future tax increases or to a reduction in service levels in the near future. States with relatively unresponsive tax structures will be obliged to enact new or higher taxes sooner and in greater magnitude than will those states with responsive structures just to maintain the current public service levels.[5]

In summary, the end of the economic boom and excessive inflation, the failure of several jurisdictions to provide progressive (or at least proportional) tax structures, and the expectation of reasonably

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5. Evidence of the fiscal problems Tennessee state government will be facing between 1975 and 1980 is presented in a report being prepared by the Tennessee State Office of Planning, Nashville, Tennessee, for release in January 1975.

mild real economic growth over the remainder of this decade presage a return to the typical chronic revenue shortages experienced in general since World War II. While 1972 and 1973 have been years of general budget surpluses and tax reform, less emphasis will be placed on reform and more on garnering additional revenue, at least after 1975.

AN OVERVIEW, 1967 TO 1973

Since 1967, total state and local taxes have grown from $61,429 million to $122,889 million (in 1973), a growth of almost exactly 100 percent. In this same period unutilized revenue potential (revenues that jurisdictions might have received had they applied average tax rates) grew from $11,645 million to $22,994 million, an increase of 97.5 percent, and personal income increased by only 70.1 percent. Table A presents unutilized potential by major tax source for the years 1967 to 1973. There is no way that the growth in the unutilized potential can be attributed to either business or individual taxes. However, the corporation income tax shows the lowest growth rate while the individual income tax shows a rather high growth rate. Other of these major taxes are levied on both individuals and businesses. Two things that should be noted in Table A are the return of the corporation income tax unutilized potential to a positive rating and the reduction in the growth rate (negative growth from 1972 to 1973) of unutilized potential for the motor vehicle license taxes.

TABLE A

STATE AND LOCAL UNUTILIZED TAX POTENTIAL
1967 - 1973 TOTAL AND BY MAJOR TAX SOURCE
(In Thousands)

	General Sales and Gross Receipts Taxes	Selective Sales and Gross Receipts Taxes*	General Property Taxes	Income Taxes		Motor Fuels Taxes	Motor Vehicle License Taxes	Total
				Individual	Corporation			
1967	$1,983,180	$1,109,417	$2,860,768	$3,256,216	$1,291,226	$274,941	$298,021	$11,645,328
1968	1,933,786	1,077,432	3,128,494	3,675,529	1,246,279	203,424	303,243	12,174,516
1969	2,286,415	1,288,867	3,520,495	4,508,307	1,425,781	215,289	335,499	14,329,868
1970	2,090,690	1,576,243	4,014,918	4,938,105	1,430,047	263,937	360,064	15,841,021
1971	2,174,041	1,727,522	4,822,554	5,064,620	1,263,175	336,325	386,033	17,113,637
1972	2,537,782	2,320,483	5,623,319	5,937,513	1,277,965	397,739	528,937	19,735,010
1973	2,971,318	2,585,656	6,371,693	7,381,013	1,445,979	460,009	504,870	22,993,840
Percentage Growth								
1967 - 1972	28.0	109.2	96.6	82.3	(1.0)	44.7	77.5	69.5
1967 - 1973	53.3	133.1	122.7	126.7	12.0	67.3	69.4	97.5

* Does not include "other selective sales taxes" for years 1967 to 1971. Excluding "other selective sales taxes," figures for 1972 and 1973 are $1,822,196 and $1,997,439 (in thousands) respectively. Growth rates then would be 64.3 percent and 80.0 percent.

Source: Kenneth E. Quindry, State and Local Revenue Potential, 1967, Tables A-2 - A-9; Statistical Supplement to State and Local Revenue Potential, 1968, Table 16; State and Local Revenue Potential, 1969, Table A-11; State and Local Revenue Potential, 1971, Table 12; State and Local Revenue Potential, 1972, Table 12, and Table 12, this report.

AN OVERVIEW, 1972 TO 1973

From 1972 to 1973, the nation's personal income increased by 13.1 percent, while state and local taxes increased by 11.3 percent. Taxes as measured by the U. S. Commerce Department as a percent of personal income, decreased from 11.6 percent to 11.4 percent and from 11.8 percent to 11.6 percent as measured in this report.[4] In the same period, per capita taxes increased from $522 to $577 (or from $530 to $586), a gain of 10.6 percent. The gain in unutilized potential continued its upward climb, rising by 17.2 percent.

In 1973 states used 95.8 percent of their tax capacity as opposed to 96.1 percent in 1972. In per capita terms, tax capacity in 1973 was equal to $611, leaving $26 unutilized. Respective figures for 1962 were $551 and $21. The growth in tax capacity registered an impressive 10.9 percent.

In terms of taxes per $1,000 of personal income, tax capacity decreased from $122.79 in 1972 to $121.27 in 1973. Utilization equalled $118.02 in 1972 and $116.17 in 1973, leaving $4.77 and $5.10, respectively, unutilized.

Increases in taxes were experienced primarily because of the favorable economic climate. The substantial economic growth and inflation permitted many jurisdictions to meet expenditure demands without raising tax rates; in some areas, with sizable tax reductions, the outcome was a significant increase in unutilized potential, a reduction

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4. In this report profits from municipally owned liquor stores and public utilities are included in taxes.

in tax burdens per $1,000 of personal income, and a largely illusionary reduction in tax capacity per capita as taxes continued to climb.

SOURCES OF DATA

Data for the statistical tables in this report were supplied by the U. S. Bureau of the Census. State tax collections were published in State Tax Collections in 1973 and, with minor revisions, in State Government Finances in 1972-73 and Governmental Finances in 1972-73. Aggregate local taxes (for the 50 states and the District of Columbia) by category of tax were published in Governmental Finances in 1972-73 and allocated to states by category on the basis of unpublished sample data furnished by the Bureau of the Census. Data on income and expenditures of municipally owned liquor stores and public utilities were published in Government Finances in 1973 and Governmental Finances in 1972-73, respectively. Data on income and population were reported in the U. S. Department of Commerce, Survey of Current Business (August 1974) and Current Population Reports, Series P-25, respectively.

Information on tax rate and other tax enactments came from reports published by the Commerce Clearing House, the states themselves, and the Federation of Tax Administrators.

METHODOLOGY

As noted above, the basic data from which the statistical tables were computed were published in various Department of Commerce reports or furnished in unpublished form by the department. State tax collections used were those reported in Governmental Finances in 1972-73.

Local taxes were reported by source for all states in that report. The totals were allocated to states by source with the help of sample data supplied by the Department. Local receipts were added to state receipts to compute state-local taxes by source for each state. Finally, on the assumption that net profits from public owned enterprises is a form of tax on the consumer of the products, profits from municipally-owned liquor stores and utilities were added to alcoholic beverage and public utility selective sales taxes, respectively. From this basic collection table, the published tables were computed.

In interstate comparisons, the basic statistical attack rested on the assumption that the average effort to collect revenue from any particular tax could be achieved if a state should choose to do so. That is, any state should be able to maintain its current level of tax collections from sources for which the state's effort is average or above and still increase its effort up to the average for sources for which the individual state's effort is below average.

The relative utilization of tax sources is dramatized by showing the amount of revenue possible in each state at average rates and then to compare this amount with actual collections.

With three exceptions, personal income was used as the common denominator to measure tax effort. For severance taxes, the common denominator most suited for computing an average rate was the value of taxable resources extracted from the air, land, and waters of the state. For motor vehicle-related taxes (motor fuels and license taxes) the number of registered vehicles seemed the most adequate measure of

tax capacity. Average tax rates are expressed as collections per $1,000 of personal income, per $1,000 of severed products, or per registered vehicle, respectively.[5]

Following the computation of an average tax rate, the rate was multiplied by the common denominator for each state in order to provide an estimate of potential revenue. Finally, the actual collections were compared with potential collections. If the potential were less than actual collections, a state was assumed to have no unutilized capacity. If actual collections were less than potential collections, the unutilized potential was measured as the difference between the two.

SOME CAUTIONS ON THE ASSUMPTIONS AND THE USE OF THE DATA

The availability of an adequate effective tax base, and the distribution of the base may, in some cases, render the assumptions unrealistic. Some types of tax bases are not uniformly available in all states. A few states with excensive extractive industries can use severance taxes profitably. A few states can tax the tourist industry extensively; the securities exchange industry is concentrated largely in New York.

The distribution as well as the average level of income may influence the degree to which a state chooses to utilize particular taxes,

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5. The average tax rate for a particular tax is computed by totaling collections from a particular source for all states effectively using that source and dividing the collections by the total of the common denominator for the same states and stating the quotient as dollars per the common denominator.

notably the personal income and sales taxes. Moreover, taxpayers paying high taxes of a particular type (e.g., consumption) would have their capacity to pay other types of taxes (e.g., income or property) seriously impaired. The overall level of taxation must be considered.

Some taxes are not as closely related to the common denominator used as is desirable. For example, the relationship of property values and personal income seem to vary extensively from state to state.

Finally, tax effort should be evaluated in relation to ability to pay taxes and the distribution of the tax load. In some states more so than in others, taxpayers are contributing more to the public treasury relative to their ability to pay. Moreover, taxpayers are contributing a large share of their burdens in the form of regressive taxes in some states, while in others, tax emphasis is on progressive taxes. It is obviously less feasible to raise taxes in states in which above average effort is made or in which a substantial share of the tax burden (and any increase) falls on low income taxpayers.

THE STATISTICAL TABLES

The statistical portion of this report consists primarily of two series of tables. The next few pages include a series of tables (Tables B through I) that present tax collections and unutilized potential for major tax sources by geographic region. These tables are identical to tables published in State and Local Revenue Potential, 1972 so that comparisons can be made easily. The second series of tables (Tables 1 through 37), also identical to 1972 tables, present details by state as well as by region. Tables 1 through 12 are basic tables.

Other tables (Tables 13 through 37) present the data in several ways and present other data that permit an evaluation of each state's ability and efforts to support demands put upon its taxable resources.

Finally, there is presented in Appendix A, major tax enactments of 1973 and 1974 (through September) that will significantly alter the states' tax practices. Statistical effects of these actions are not reflected in 1973 collection reports.

A number of measuring devices have been employed for interstate comparisons of tax capacity and effort. The most commonly used simple measures are income and population. While it is more popular to compare taxes in per capita terms, the more useful measure is personal income per capita. One argument for its use is that taxes are ultimately paid from current personal income. Another is that, while personal income is less than a complete measure of taxable resources, it seems to correlate well with most tax bases. Both measures of tax effort are presented in the tables.

The average level and the distribution of personal income affect the tax capacity and the degree of burden or effort that can reasonably be applied. Table 19 reflects, in addition to tax collections as a percentage of income as a measure of tax effort, this effort measure weighted by the average level of income. In other words, a tax equal to 10 percent of personal income is a greater burden if average income is low than if it is high. The measure in column 4 reflects this. Table 35 lists the distribution of federal adjusted gross income by class for the states, but no weighting can be made.

Tax effort or burden is also influenced by the extent of use of nontax revenue sources. Some states by choice garner relatively larger amounts of revenue from state or local nontax sources or are able to exact federal funds in relatively large amounts. Taxes as a percentage of general revenues from own sources, and federal aids as a percentage of general revenues, are also reported in Table 19.

Tables 20 through 34 list the net unutilized potential of the SREB states individually and totally. By net unutilized potential, it is meant that amounts collected above the average tax yield from some sources were subtracted from amounts collected below the average tax yield from other sources. Table 36 adds actual collections to net unutilized capacity and thus computes collections on the average of all states. This is termed for present purposes as tax capacity. The percent of capacity unutilized and the capacity and utilization per capita and per $1,000 of personal income is listed by state. States overutilizing this capacity measure are found in the New England and the Pacific areas. The greatest percentages of underutilization are found in the SREB states.

TAX COLLECTIONS IN FISCAL 1973

State and local tax collections by state and by source are reported and analyzed in relation to potential collections in 37 statistical tables. Major tax sources are summarized to simplify the analyses in the tables in this section. In some cases, nonrecurring or windfall amounts are included in collections; thus, normal collections are inflated. In others, tax rate or base changes may have been effective for only a part of the fiscal year. No attempt is made to note all such instances.

Tax Collections and Unutilized Potential

Total tax collections increased from $110.4 billion in 1972 to $122.9 billion in 1973, an increase of 11.3 percent. Increases by type of tax are listed in Table B. Since rate and base changes had little net influence on revenue growth, the greatest percentage gains are reflected in sources most responsive to personal income growth. In both 1972 and 1973, total taxes and personal income showed an almost one-to-one growth relationship; however, the income taxes responded well above this relationship and general property and several minor taxes well below.

According to data in Table C, total unutilized potential increased by $3.4 billion, from $19.6 billion to $23.0 billion, a gain of 17.2 percent. In general, highest unutilized potential growth rates were found in taxes which respond well to personal income growth. Growth in the utilized and unutilized potential portions of the tax

TABLE B

STATE AND LOCAL TAX COLLECTIONS, 1972 AND 1973
WITH PERCENTAGE CHANGE

Source	Collections (amounts in millions) 1972	1973	Percentage Change
General Sales and Gross Receipts	$ 20,292	$ 22,292	13.3
Selective Sales and Gross Receipts	10,971	12,129	10.6
Death and Gift	1,292	1,437	11.2
General Property	42,132	45,288	7.5
Individual Income	15,234	17,970	18.0
Corporate Income	4,401	5,449	23.8
Alcoholic Beverage License	136	141	3.7
Motor Vehicle License	3,334	3,635	9.0
Motor Vehicle Fuel	7,272	8,123	11.7
Severance	758	850	12.1
Transfer	505	566	12.1
Pari-mutuel	571	590	3.3
Other License	2,126	2,232	5.0
Other and Unallocable	1,369	1,489	8.8
TOTAL	$110,392	$122,889	11.3

Note: Parts may not add to totals due to rounding.

Source: Kenneth E. Quindry and Richard A. Engels, State and Local Revenue Potential, 1972 (Atlanta: Southern Regional Education Board, 1974), Tables 1 through 11; and Tables 1 through 11, this report.

TABLE C

STATE AND LOCAL UNUTILIZED POTENTIAL
1972 AND 1973, WITH PERCENTAGE CHANGE

Source	Unutilized Potential (amounts in million) 1972	1973	Percentage Change
General Sales and Gross Receipts	$ 2,538	$ 2,971	17.1
Selective Sales and Gross Receipts	2,320	2,586	11.5
Death and Gift	295	329	11.5
General Property	5,623	6,372	13.3
Individual Income	5,938	7,381	24.3
Corporate Income	1,278	1,446	13.1
Alcoholic Beverage License	45	44	-2.2
Motor Vehicle License	426	505	18.5
Motor Fuels	388	460	18.6
Severance	424	461	8.7
Transfer	347	439	26.5
TOTAL	$19,622	$22,994	17.2

Source: Kenneth E. Quindry and Richard A. Engels, State and Local Revenue Potential, 1972 (Atlanta: Southern Regional Education Board, 1974), Table 12; and Table 12, this report.

base move in the same direction at somewhat the same magnitude if undisturbed by changes in the rates or bases. The percentage change was above 10 percent except in two cases. Unutilized potential showed an insignificant decrease in the alcoholic beverage licenses and a growth of 8.7 percent in the severance taxes. The three basic taxes account for about 88 percent of the unutilized potential with the individual income tax leading the way, followed by the general property and the general sales taxes.

The greatest tax increases, from 1972 to 1973 both absolutely and percentage wise, were registered in the SREB states, followed by the Middle Atlantic and the New England states (Table D). About three-fourths of the increase in tax collections were divided almost equally among the SREB, the Middle Atlantic, and the North Central states, while four-fifths of the unutilized potential was found in the SREB, the North Central and the Pacific states. The SREB states lead in both categories and rank third behind the Mountain and the North Central states in personal income gains. These same groups of states contained from two-thirds to three-fourths of the population, income tax collections, and tax potential in 1973.

Statistics in Table D indicate that only the Middle Atlantic states and the District of Columbia took substantial advantage of their rising tax potential to increase the tax take. In the other regions the unutilized potential increased at a faster clip than did the tax revenues. In the Pacific, the Mountain, the North Central, and the SREB states, where income growth was greatest in percentage terms, so also was the growth in unutilized potential.

TABLE D

TAX COLLECTIONS AND UNUTILIZED POTENTIAL BY REGIONS
1972 AND 1973, WITH PERCENTAGE CHANGE

Region	Tax Collections (amounts in millions) 1972	1973	Percentage Change	Unutilized Potential (amounts in millions) 1972	1973	Percentage Change
New England States	$ 7,248	$ 8,133	12.2	$ 1,186	$ 1,340	13.0
Middle Atlantic States	25,251	28,298	12.1	2,576	2,762	7.2
North Central States	29,655	32,627	10.0	4,354	5,386	23.7
SREB States	24,626	27,966	13.6	8,375	9,524	13.7
Mountain States	5,411	6,029	11.4	1,198	1,489	24.3
Pacific States	17,744	19,336	9.0	1,786	2,419	35.4
District of Columbia	458	501	9.4	147	75	-49.0
TOTAL	$110,392	$122,889	11.3	$19,622	$22,994	17.2

Note: Parts may not add to totals due to rounding.

Source: Kenneth E. Quindry and Richard A. Engels, State and Local Revenue Potential, 1972 (Atlanta: Southern Regional Education Board, 1974), Tables 11 and 12; and Tables 11 and 12, this report.

The following analyses discuss tax collections practices by tax source. The reasons for diversity in collections as measured by a common yardstick can be accounted for by differences in rate, base coverage, or administrative vigor. Underutilization results if rates are low, if the bases are relatively narrow (a large number and amount of exemptions or special low rates), if the tax is poorly administered, or if it is not used at all. Overutilization results from the opposite--high rates, broad bases, vigorous administration, or widespread use of the tax base (state and extensive local use, for example).

The General Sales and Use Taxes (Tables 1 and 13)

The base utilized for general sales taxation varies greatly from state to state. In many cases broad exemptions are offset by high rates. Appendix Table 2-A lists current tax rates. Tax bases are complex and difficult to compare; however, large exemptions can be readily identified. For example, 15 states exempt food for home consumption. These states apply relatively high rates. In addition to complete exemption of food from the tax base, the District of Columbia and Louisiana have special lower rates, and North Dakota has a limited exemption for meat and milk products. Thirty states have full or limited exemptions for drugs and medicines. Other states either exempt or tax at special lower rates many items of manufacturing machinery, pollution control facilities and other items related to agricultural or industrial production.

Practices vary in the taxation of services and in tangible goods such as gasoline, liquor, public utility services, and admissions which are traditionally taxed under selective sales tax statutes. The sales may be excluded from general sales taxation, or they may be taxed under both the general and the special levies.

Four states (Delaware, Montana, Oregon, and New Hampshire) did not employ a general sales tax in 1973. As of that year, twenty-six states permitted one or more of their local governments to levy a local sales tax, but only twenty-one used the privilege extensively. Most widespread use of the local tax was found in Alabama, California, Illinois, Oklahoma, Tennessee, and Texas.

General sales tax revenues increased to $22,992 million in 1973, a gain of 13.3 percent from the 1972 amount. Unutilized potential grew by 17.1 percent to $2,971 million. Increases were substantial in all geographic regions (Table E). They were in excess of 15 percent in the New England states, the Mountain states, and the District of Columbia (due to rate raises), and in excess of ten percent in every region. The areas and states making good use of their rapidly increasing potential demonstrated the least increase in unutilized potential.

Collections per capita and per $1,000 of personal income were highest in the Pacific states and lowest in the New England states. The SREB states demonstrated the fullest utilization of the tax base, showing only $7.60 per capita and $1.72 per $1,000 of personal income of unutilized capacity. Among these states, Maryland showed the greatest degree of underutilization. In total, twenty-nine states

TABLE E

STATE AND LOCAL GENERAL SALES TAXES, COLLECTIONS AND UNUTILIZED POTENTIAL
BY REGION, 1972 AND 1973, WITH PERCENTAGE CHANGE

Region	Collections (amounts in millions) 1972	1973	Percentage Change	Unutilized Potential (amounts in millions) 1972	1973	Percentage Change
New England States	$ 774	$ 936	20.9	$ 520	$ 555	6.7
Middle Atlantic States	4,022	4,589	14.1	537	555	3.4
North Central States	5,236	5,785	10.5	695	952	37.0
SREB States	5,686	6,512	14.5	395	471	19.2
Mountain States	1,124	1,322	17.6	136	160	17.6
Pacific States	3,368	3,751	11.4	233	271	16.3
District of Columbia	82	97	18.3	22	8	-63.6
TOTAL	$20,292	$22,992	13.3	$2,538	$2,971	17.1

Note: Parts may not add to totals due to rounding.

Source: Kenneth E. Quindry and Richard A. Engels, State and Local Revenue Potential, 1972 (Atlanta: Southern Regional Education Board, 1974), Table 1, and Table 1, this report.

showed some degree of underutilization, five of which were SREB states. Three of nine Mountain states and three of five Pacific states were in the category of underutilization.

The Selective Sales Taxes (Tables 2 and 14)

Data are presented in Tables 2 and 14 and summarized in Table F for four major selective sales taxes and for one cateogry including all other selective sales taxes. In total, collections increased to $12,129 million in 1973, or 10.6 percent from 1972 to 1973, while unutilized potential increased by 11.5 percent to $2,586 million. The most productive taxes are the public utilities (over $3.7 billion) and the tobacco products (about $3.3 billion). With the exception of insurance premiums, the bases of these taxes are generally included in the general sales tax base. This fact can influence the intensity to which the base is taxed under selective levies.

For purposes of this study, net profits of publicly owned utilities and liquor stores were combined with state and local taxes. Seventeen states distribute liquor through state owned stores and three through municipally owned stores. However, data on municipally owned stores in Minnesota, North Carolina and South Dakota were not available for inclusion in the statistical tables. Finally, every state reported municipal operation and ownership of one or more public utilities. States have the option of taxing private enterprises, permitting local taxation of private enterprises, or of owning them and contributing all or part of the profits to the general fund in lieu of taxation.

Alcoholic beverage, cigarette, and insurance premiums sales taxes were employed in all 50 states and the District of Columbia in 1973. One state (Massachusetts) did not report any revenue from a public utility sales tax.

Cigarette tax rates vary from a high of 21 cents per package of 20 in Connecticut to a low of 2 cents in North Carolina. Of the 50 states, 30 have rates of 12 cents or above (13 above 15 cents), and only 13 have rates below 10 cents. States with high rates typically collect above average revenues, while those with low rates collect below average. As in past years close to 40 percent of the unutilized potential is found in the SREB states because of low rates in North Carolina (2 cents), Kentucky (3 cents) and Virginia (2.5 cents). About one-third of the states supplement cigarette taxes with taxes on other tobacco products.

Statistics in Table F indicate that, while collections increased almost as fast as unutilized potential in percentage terms, one region (North Central) failed notably to take advantage of its increasing potential. In that region revenues increased 9 percent while unutilized potential grew by 21.4 percent. Comparable figures for the nation were 10.6 percent and 11.5 percent, respectively. In dollar terms revenues grew to $12,129 million (by $1.158 million) and underutilization to $2,586 million (by $266 million).

Death and Gift Taxes (Table 3)

State death and gift taxes normally have graduated rates. They are further complicated by having separate rate schedules for heirs

TABLE F

STATE AND LOCAL SELECTIVE SALES TAXES, COLLECTIONS AND UNUTILIZED POTENTIAL BY REGION, 1972 AND 1973, WITH PERCENTAGE CHANGE

Region	Collections (amounts in millions)			Unutilized Potential (amounts in millions)		
	1972	1973	Percentage Change	1972	1973	Percentage Change
New England States	$ 688	$ 736	7.0	$ 165	$ 173	4.8
Middle Atlantic States	2,219	2,386	7.5	348	362	4.0
North Central States	2,547	2,775	9.0	812	986	21.4
SREB States	3,609	4,146	14.9	396	405	2.3
Mountain States	610	666	9.2	106	120	13.2
Pacific States	1,245	1,358	9.1	472	531	12.5
District of Columbia	52	61	17.3	22	8	-63.6
TOTAL	$10,971	$12,128	10.6	$2,320	$2,586	11.5

Note: Parts may not add to totals due to rounding.

Source: Kenneth E. Quindry and Richard A. Engels, State and Local Revenue Potential, 1972 (Atlanta: Southern Regional Education Board, 1974), Tables 2 and 12; and Tables 2 and 12, this report.

of differing kinship or relationship with the deceased. Exemption policies in regard to charitable contributions and types of property as well as those regarding individuals vary widely. No local units employ death or gift taxes.

Some states impose a death tax solely for the purpose of reclaiming the federal credit. Other states employ an additional estate or inheritance tax. Fifteen states levy a gift tax.[6] Five states (Alabama, Alaska, Arkansas, Florida, and Georgia) use a "pick-up" tax only; two states (South Dakota and West Virginia) use an inheritance tax only; two states use an inheritance, estate, and pick-up tax (Oregon and Rhode Island); two states use an estate tax only (Mississippi and North Dakota); seven states (Arizona, New York, Ohio, Oklahoma, South Carolina, Utah, and Vermont) use an estate and pick-up tax; and one state (Nevada) has no death or gift tax. The complexity and diversity of the taxes used is equally important to the complex and diverse rate and base structures in evaluating the revenues and potential revenues.

Ninety percent of the unutilized potential in 1973 was found in the SREB and the North Central states, areas in which only one-third of the tax was collected. No underutilization was evident in the New England or the Middle Atlantic states. The SREB states alone accounted for almost one-half of the nation's underutilization.

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6. California, Colorado, Delaware, Louisiana, Minnesota, North Carolina, Oklahoma, Oregon, Rhode Island, South Carolina, Tennessee, Texas, Virginia, Vermont, Washington, and Wisconsin.

From 1972 to 1973 collections increased to $1,437 million, an increase of 11.2 percent and unutilized potential to $329 million, an 11.5 percent increase.

The Property Taxes (Tables 4 and 15)

Continuing past experiences, property taxes in 1973 were used least intensively in the SREB region and most intensively in the New England region (Table G). Though the North Central states are traditional heavy users of property taxes, revenue growth was minimal from 1972 to 1973. On the other hand, underutilization increased by 51.9 percent.

Property taxes remained the largest source of state and local tax revenue in 1973 as in past years, though the percentage of total collections shows a substantial decline from 1972 to 1973 (38.2 percent to 36.9 percent of total collections). In absolute terms, growth in property taxes (1972 to 1973) exceeded all others, but in percentage growth terms, it registered the least growth of the major tax sources and only two-thirds the growth of all taxes.

Even with this moderate growth in revenues, the tax burden and its growth are less than these statistics indicate. All 50 states have some form of property tax relief; about two-thirds of the states finance the relief from the state treasury. Relief is generally slanted toward the disadvantaged taxpayers (aged, disabled, low income) so that the burden of the tax is further relieved. On the other hand property taxes at the local level are not substantially reduced because the state picks up the cost.

TABLE G

STATE AND LOCAL PROPERTY TAXES, COLLECTIONS AND UNUTILIZED POTENTIAL BY REGION, 1972 AND 1973, WITH PERCENTAGE CHANGE

Region	Collections (amounts in millions)			Unutilized Potential (amounts in millions)		
	1972	1973	Percentage Change	1972	1973	Percentage Change
New England States	$ 3,518	$ 3,923	11.5	$ 1	$ --	--
Middle Atlantic States	9,395	10,298	9.6	744	802	7.8
North Central States	12,410	12,884	3.8	426	647	51.9
SREB States	6,818	7,432	9.0	3,908	4,293	9.9
Mountain States	1,975	2,038	8.7	324	366	13.0
Pacific States	7,976	8,564	7.4	151	209	38.4
District of Columbia	141	148	5.0	70	55	-21.4
TOTAL	$42,132	$45,288	7.5	$5,623	$6,372	13.3

Note: Parts may not add to totals due to rounding.

Source: Kenneth E. Quindry and Richard A. Engels, State and Local Revenue Potential, 1972 (Atlanta: Southern Regional Education Board, 1974), Table 4; and Table 4, this report.

Because of complex and diverse homestead relief programs, selective credits, exemption practices concerning personal property and tax exempt institutions, selective exemptions to encourage industrial development, lack of data on local practices, etc., it is impossible to evaluate state- or region-wide bases and rates. The quality of administration and of the assessment of property for tax purposes also influences the level of tax collections.

Underutilization increased from 1972 to 1973 by $3.36 per capita, but only $0.01 in terms of dollars per $1,000 of personal income. Underutilization in the SREB region was more than twice the closest competitor, the Mountain region ($69.22 to $30.95 per capita and $15.68 to $6.77 per $1,000 of personal income). Underutilization by both measures in every region except the New England region, increased from 1972 to 1973.

The Individual Income Taxes (Tables 5 and 16)

Six states (Florida, Nevada, South Dakota, Texas, Washington, and Wyoming) did not employ an individual income tax in 1973. Four states (Connecticut, New Hampshire, New Jersey, and Tennessee) restricted the levy to selected income sources. The remaining 40 states employed a broad based tax. Ten states (Delaware, New York, Pennsylvania, Michigan, Missouri, Ohio, Alabama, Kentucky, Maryland, and California) permitted a local levy in addition to the state levy in one or more jurisdictions. Thirty-five of the forty states employed progressive rate structures and five (Illinois, Indiana, Nebraska, Ohio, and Pennsylvania), flat rates. Personal deductions and

exemptions and practices concerning business expenditure deductions vary, though conformity to federal regulations is fast becoming standard.

In addition to being influenced by the composition of the tax rate structure and deduction and exemption policies, productivity of this tax is influenced also by the distribution and level of taxable income. If a high proportion of the taxpayers are in a low income class, productivity will be low relative to total income. In some states low income families and individuals are fully exempted from liability because of liberal exemption and deduction policies. Conversely, a large relative number of middle and high income taxpayers provides high tax productivity. Table 35 lists the percentage of families by federal adjusted gross income class by state for 1971.

The SREB region continued, in 1973, to make less use of this source than did other regions, largely because two important states (Florida and Texas) do not apply the tax. Maryland employs the tax effectively at both the state and local levels. Georgia, Kentucky, North Carolina, South Carolina, and Virginia have reasonable income tax yields among the SREB states, but are still below the national average in per capita collections with the exception of Virginia (Table 16). Both North Carolina and Virginia rank above the national average in collections per $1,000 of personal income.

Property and sales tax relief granted through income tax credits is generally treated, not as a reduction in income taxes, but as a transfer payment to individuals. The net result is to inflate tax collections by the amount taken from some taxpayers and then returned

to them or to other taxpayers. The programs are essentially tax programs to redistribute income.

According to data in Table H, collections from 1972 to 1973 increased most in the North Central region and least in the Pacific region. Conversely, the underutilization increase was greatest in the Pacific region and least in the North Central region. Total collections grew by $2,736 million to $17,970 million, a gain of 18.0 percent, while unutilized potential grew by $1,443 million or 24.3 percent.

The Corporate Income Taxes (Tables 5 and 17)

For the second year in a row, corporate income tax collections increased in excess of 20 percent (28.3 percent from 1971 to 1972 and 23.8 percent from 1972 to 1973). The 23.8 percent growth in 1973 produced an increase to $5.55 from $5.09 per $1,000 of personal income in the 46 states employing this revenue measure. Underutilization increased to $1,446 million (up by 13.1 percent from 1972), mainly because corporate profits (the tax base) grew at a substantially faster rate than personal income (the common denominator by which effort and underutilization were measured).

In analyzing state performance, somewhat the same procedures should be followed as were used for individual income taxes. Productivity is influenced by both the rate level and the inclusiveness of the base. Tax bases are being standardized along federal lines. The use of federal depletion allowances, investment credits, and depreciation practices is becoming common.

TABLE H

STATE AND LOCAL INDIVIDUAL INCOME TAXES, COLLECTIONS AND UNUTILIZED POTENTIAL BY REGION, 1972 AND 1973, WITH PERCENTAGE CHANGE

Region	Collections (amounts in millions)			Unutilized Potential (amounts in millions)		
	1972	1973	Percentage Change	1972	1973	Percentage Change
New England States	$ 952	$ 1,083	13.8	$ 389	$ 485	24.7
Middle Atlantic States	4,655	5,681	22.0	742	858	15.6
North Central States	4,202	5,171	23.1	1,414	1,614	14.1
SREB States	2,437	2,873	17.9	2,558	3,118	21.9
Mountain States	603	672	11.4	340	458	34.7
Pacific States	2,249	2,365	5.2	494	848	71.7
District of Columbia*	137	125	-8.8	--	--	--
TOTAL	$15,234	$17,970	18.0	$5,938	$7,381	24.3

Note: Parts may not add to totals due to rounding.

* Apparent reductions in District of Columbia collections are the result of corporate income tax collections being reported in individual figures for 1972, whereas the collections were reported separately in 1973. See Table I.

Source: Kenneth E. Quindry and Richard A. Engels, State and Local Revenue Potential, 1972 (Atlanta: Southern Regional Education Board, 1974), Table 5; and Table 5, this report.

TABLE I

STATE AND LOCAL CORPORATE INCOME TAXES, COLLECTIONS AND UNUTILIZED POTENTIAL BY REGION, 1972 AND 1973, WITH PERCENTAGE CHANGE

Region	Collections (amounts in millions) 1972	1973	Percentage Change	Unutilized Potential (amounts in millions) 1972	1973	Percentage Change
New England States	$ 422	$ 466	10.4	$ 13	$ 17	30.8
Middle Atlantic States	1,400	1,561	11.5	77	68	-11.7
North Central States	958	1,267	32.3	476	577	21.2
SREB States	757	1,009	33.3	498	539	8.2
Mountain States	143	185	29.4	96	118	22.9
Pacific States	722	937	29.8	94	123	30.9
District of Columbia*	--	23	--	24	3	-81.5
TOTAL	$4,401	$5,449	23.8	$1,278	$1,446	13.1

Note: Parts may not add to totals due to rounding.

* Corporate income tax for District of Columbia was reported in individual income tax columns and tables in 1972 and separately in 1973.

Source: Kenneth E. Quindry and Richard A. Engels, State and Local Revenue Potential, 1972 (Atlanta: Southern Regional Education Board, 1974), Table 5; and Table 5, this report.

Revenue increases for the North Central, SREB, Mountain, and the Pacific regions varied from 29.4 percent to 33.3 percent, but lagged in the New England and the Middle Atlantic regions (10.4 percent and 11.5 percent). In spite of the relatively low gains in the Middle Atlantic region, unutilized revenue potential fell by 11.7 percent. The bulk of the increased collections in the SREB states resulted from higher collections in Florida and Tennessee. In Florida, a full year's collection was reported for the first time, and Tennessee instituted a program speeding up collections (on a quarterly basis) and substantial windfall payments resulted. These events accounted both for the high percentage growth in revenues and the low growth rate of unutilized potential.

Licenses and Motor Fuels Taxes (Tables 6, 7, and 8)

License taxes are reported in two categories: state alcoholic beverage licenses (Table 6) and motor vehicle license taxes including local vehicle and drivers license fees (Table 7). Other license taxes are listed in Table 11. Motor vehicle fuels taxes (Table 8) are discussed along with vehicle license taxes rather than with other selective sales taxes because both motor vehicle-related taxes are generally earmarked for highway use. All states and the District of Columbia employ all three of these sources of tax revenue.

Alcoholic Beverage Licenses (Table 6)

License taxes are placed by the state on sellers, handlers, and producers of alcoholic beverage products in every state except Hawaii.

Localities in several states also collect revenue from this source, but state-by-state data are not available for inclusion in Table 6. Local collections are included in Table 11.

Publicly owned liquor stores are not subject to all license fees. In several states, pockets of prohibition and abstinence restrict revenue productivity. In others, special concessions are granted to local producers.

Revenue from this source grew by only 4.0 percent from 1972 to 1973, to $141.5 million as opposed to a mild decrease in unutilized potential. Almost three-fourths of the unutilized potential (but only two-fifths of the tax collections) are attributed to the North Central and the SREB regions.

Motor Vehicle Licenses (Table 7)

The analyses for motor vehicle related taxes in Tables 7 and 8 employed average collections per registered motor vehicle as the measure of tax ability and effort. An average collection per registered vehicle was computed and the average was multiplied by the number of vehicles in a state to compute potential revenue.

Differences in the ratio of automobiles to trucks and buses may cause some variations in collections. Automobile registrations, however, make up the bulk of registrations in every state.

The relative productivity of this source may be explained in two additional ways. Some states secure motor vehicle use revenue more heavily from fuels or property taxes instead of mounting a vigorous effort in levying license fees. A few states apply the

general sales tax rate to motor fuels taxes, possibly in lieu of higher license fees or special fuel taxes.

Widespread use of local license or inspection fees is indicated in twenty-one states (ten of which are in the SREB and six of which are in the North Central region).

License tax revenue increased by 9 percent to $3,635 million, while unutilized revenue grew by 18.6 percent. Revenue gains were rather evenly distributed by region, but in one region (New England) the underutilization decreased.

Motor Fuels Taxes (Table 8)

Motor fuels taxes are gallonage taxes based on sales of gasoline and other fuels used to propel or otherwise operate motor vehicles on the public highways. Minor amounts of taxes come from operating combustion engines in boats and airplanes or from other uses. The gasoline tax is supplemented with taxes on diesel fuels and low pressure gas except in one state (Vermont). The tax rate ranges from 5 cents per gallon in Nevada to 10 cents in Connecticut. Three states have a rate of less than 7 cents, 17 have a rate of 7 cents, and 17 have a rate exceeding 7 cents but less than 9 cents, and 13 have a rate of 9 cents or above. In Hawaii, rates vary from 8 to 10 cents by county. Since the base differs little by state, major productivity differences are mainly due to the rate differences. However, a few states levy a tax on motor oils and lubricants, and others authorize local fuels taxes. Finally, practices differ in regard to refunds for nonhighway use and in regard to discounts for evaporation and spillage.

Total collections increased to $8,123 million or by 11.7 percent from 1972 to 1973, as opposed to an increase of 18.5 percent in unutilized potential. Rate increases accounted for a significant part of the growth in collections. Highest percentage growth in collections was in the Middle Atlantic and the SREB regions. The middle Atlantic region erased its unutilized potential of 1972, largely by application of higher rates in New Jersey and New York. The growth in unutilized potential was significant in the New England and the Mountain regions.

Severance Taxes (Table 9)

Severance taxes are imposed on the value of natural resources as they are severed from the land or water. They may be applied in lieu of or in addition to property or other taxes. Thus, their application may influence the productivity of other taxes.

Because some states have no significant commercial extractive industries, value of severed products is a better relative measure of revenue potential than personal income. To compute revenue potential, an average rate per $1,000 of severed products was computed and multiplied by the value of severed products.

Severance taxes are most practicable and profitable in states having high concentrations of oil and gas production. States having extensive production of timber, fish, sand, and gravel are less inclined to impose production taxes because of the low profitability of these industries. Coal production has moved out of this last category within the last year. Both Kentucky and Tennessee have recently

adopted coal severance taxes. Especially in Kentucky, the revenue is proving to be substantial.

Louisiana, Oklahoma, and Texas are unique in their ability to exploit oil and gas taxes. However, several other states with substantial oil and gas production (e.g., California, Illinois, and Pennsylvania) have failed to utilize this source of taxation extensively. In Minnesota, taxation of iron ore extraction is relatively remunerative.

Severance tax revenues reached $85.4 million in 1973, up by 12.3 percent from the 1972 figure, while the unutilized potential increased only 8.6 percent, to $460.9 million. Four-fifths of the collections (mostly in Louisiana and Texas) and one-fourth of the underutilization was located in the SREB states. Most of the SREB underutilization was found in Virginia and West Virginia (coal) and in Florida (fisheries and mining).

Transfer Taxes (Table 10)

Transfer taxes include a wide range of levies on real estate transfers and transfers of nontangible wealth (mortgages, stocks, and bonds). Productivity of the tax is affected by the inclusiveness of the base as well as by the rates. New York is in an especially favorable position to garner revenue from a documentary transfer tax. About one-half of all transfer taxes are collected in that state.

Attention should be called to the fact that only state taxes are included in Table 10. Many states levy only a local tax; others,

both a state and a local tax. Local taxes are included in the "other and unallocable" column of Table 11.

Transfer tax revenues grew by 11.9 percent to $565.6 million, and underutilization by 26.4 percent to $439.1 million. Underutilization centered in the North Central region (one-third of the total) followed by the SREB and the Pacific regions (with approximately one-fifth each).

Miscellaneous, Other, and Unallocable Taxes, Total Taxes (Table 11)

Two other tax sources merit brief mention. Pari-mutuel taxes are reasonably productive in a few states where the traditions of horse and dog racing are strong and where there is extensive tourism. A few states still maintain legal prohibitions against race track betting. At least one state (New York) has extended wagering to off-track betting. Nevada collects significant revenues from casino gambling, but so far other states have not adopted this revenue source.

State lotteries are now being used in at least 8 states. Others are considering their adoption. Legal prohibition still exists in a number of states, but social acceptance seems to be gaining ground, if for no other reason than that lotteries are viewed as an alternative to higher property taxes. Improvements in administration and adjustment in prizes have increased their productivity and popularity.

SUMMARY AND CONCLUSIONS

The data presented in this report indicate that both collections and unutilized potential increased significantly from 1972 to 1973. The growth in collections was primarily due to economic growth (personal income) rather than adoption of higher rates and broader tax bases. Thus, unutilized potential was permitted to grow along with collections. The growth in the two measures was not evenly distributed. Regions stressing income taxes rather than property or sales taxes tended to experience the most impressive growth.

The major shift in relative tax shares (Table 18) from 1972 to 1973 was that general property taxes decreased from 38.2 percent of total taxes to 36.9 percent. Individual and corporate income taxes increased in the share of the total.

Relative tax burdens did not shift significantly from 1972 to 1973. Tax burdens as a percentage of personal income were down slightly in 1973. The burdens in the New England and the Middle Atlantic regions rose slightly, and in other regions they were reduced. The District of Columbia also increased its tax burdens. In all, 7 states and the District of Columbia increased the tax take as a percentage of income, and 43 reduced the tax take.

Several things limit the adequacy of the percent of income paid in taxes as an adequate measure of tax burdens. This measure does not reflect the distribution of income, only the total amounts. Column 4 of Table 19 reflects in the measure of burdens the average or per capita level of incomes. According to this measure, Vermont

taxpayers, rather than those in New York, become the most heavily taxed in the 50 states including the District of Columbia. Since 1970, by this measure, Mississippi has been replaced by both Vermont and Maine in the highest taxed category.

Statistics in this report give no consideration to the amount of taxes nominally levied on individuals and businesses but shiftable to out of state taxpayers. Tax exporting is significant in major manufacturing states and certain states using taxes on extractive industries.

Data discussed up to this point refer only to underutilization of a particular source without due consideration to possible overutilization of other sources. Tables 20 through 34 report both over- and underutilization and the net underutilization by tax source for the SREB states. Table 36 (column 2) lists the net underutilization for every state and the District of Columbia. Net unutilized capacity reached only $4,459 million, about one-fourth of gross underutilization, indicating that some states were overutilizing their tax sources in many areas. In ten states, there is net overutilization indicated. Net underutilization in the amounts of $21.14 per capita or $4.77 per $1,000 of personal income is indicated.

STATISTICAL TABLES

TABLE 1

POPULATION, PERSONAL INCOME AND STATE AND LOCAL GENERAL SALES AND GROSS RECEIPTS TAX REVENUE FOR STATES, REGIONS AND THE UNITED STATES, 1973
(COLLECTIONS IN THOUSANDS)

STATE AND REGION	POPULATION JULY 1, 1973 (THOUSANDS)	PERSONAL INCOME 1973 (MILLIONS)	AMOUNT COLLECTED	POTENTIAL TAX YIELD AT AVERAGE RATE	UNUTILIZED POTENTIAL
NEW ENGLAND STATES	12150	$ 63326	$ 936243	$ 1404512	$ 554512
CONNECTICUT	3076	18265	466828	405101	--
MAINE	1028	4196	117578	93064	--
MASSACHUSETTS	5818	30561	230362	677816	447454
NEW HAMPSHIRE	791	3713	--	82351	82351
RHODE ISLAND	973	4710	96010	104464	8454
VERMONT	464	1881	25465	41719	16254
MIDDLE ATLANTIC STATES	38104	$ 209979	$ 4588851	$ 4657145	$ 555069
DELAWARE	576	3328	--	73812	73812
NEW JERSEY	7361	43026	681938	954278	272340
NEW YORK	18265	104198	2797793	2311018	--
PENNSYLVANIA	11902	59427	1109120	1318037	208917
NORTH CENTRAL STATES	57600	$ 303174	$ 5785346	$ 6724124	$ 951736
ILLINOIS	11236	64833	1450893	1437938	--
INDIANA	5316	26510	484302	587968	103666
IOWA	2904	15314	243835	339651	95816
KANSAS	2279	12088	202722	268101	65379
MICHIGAN	9044	50201	1092345	1113413	21068
MINNESOTA	3897	20019	301126	444004	142878
MISSOURI	4757	23031	461270	510807	49537
NEBRASKA	1542	8127	121827	180250	58423
NORTH DAKOTA	640	3645	70092	80843	10751
OHIO	10731	54474	854831	1208184	353353
SOUTH DAKOTA	685	3229	69636	71616	1980
WISCONSIN	4569	21703	432467	481353	48886
SREB STATES	62021	$ 273886	$ 6511555	$ 6074541	$ 471362
ALABAMA	3539	13700	368764	303854	--
ARKANSAS	2037	8050	168352	178542	10190
FLORIDA	7678	37799	1041257	838348	--

ALL NOTES AND FOOTNOTES ARE ON PAGE 104

TABLE 1 (CONTINUED)

STATE AND REGION	POPULATION JULY 1, 1973 (THOUSANDS)	PERSONAL INCOME 1973 (MILLIONS)	AMOUNT COLLECTED	POTENTIAL TAX YIELD AT AVERAGE RATE	UNUTILIZED POTENTIAL
SREB STATES (CONTINUED)					
GEORGIA	4786	$ 21032	$ 505388	$ 466471	$ --
KENTUCKY	3342	13478	316651	298930	--
LOUISIANA	3764	14795	480418	328140	--
MARYLAND	4070	22339	325682	495459	169777
MISSISSIPPI	2281	8112	317736	179917	--
NORTH CAROLINA	5273	22577	444258	500738	56480
SOUTH CAROLINA	2726	10582	286191	234699	--
TENNESSEE	4126	16897	529136	374760	--
TEXAS	11794	53912	1093589	1195720	102131
VIRGINIA	4811	23506	388558	521342	132784
WEST VIRGINIA	1794	7107	245575	157627	--
MOUNTAIN STATES	11813	$ 54020	$ 1322175	$ 1198113	$ 160133
ARIZONA	2058	9655	332851	214139	--
COLORADO	2437	12255	310518	271805	--
IDAHO	770	3398	60999	75365	14366
MONTANA	721	3376	--	74877	74877
NEVADA	548	3148	79853	69820	--
NEW MEXICO	1106	4262	156452	94527	--
OKLAHOMA	2663	11558	185455	256346	70891
UTAH	1157	4711	151882	104486	--
WYOMING	353	1657	44165	36751	--
PACIFIC STATES	27417	$ 148713	$ 3750824	$ 3298318	$ 270819
ALASKA	330	1958	11100	43427	32327
CALIFORNIA	20601	113746	2790507	2522784	--
HAWAII	832	4582	210687	101625	--
OREGON	2225	10753	--	238492	238492
WASHINGTON	3429	17674	738530	391994	--
DISTRICT OF COLUMBIA	746	$ 4728	$ 97167	$ 104863	$ 7696
ALL STATES INCLUDING DISTRICT OF COLUMBIA	209851	$1057826	$22992112	$23461440	$2971318

TABLE 2

STATE AND LOCAL SELECTIVE SALES AND GROSS RECEIPTS TAX REVENUE, FOR STATES, REGIONS, AND THE UNITED STATES, 1973
(IN THOUSANDS OF DOLLARS)

STATE AND REGION	ALCOHOLIC BEVERAGES			TOBACCO PRODUCTS		
	AMOUNT COLLECTED	POTENTIAL TAX YIELD AT AVERAGE RATE	UNUTILIZED POTENTIAL	AMOUNT COLLECTED	POTENTIAL TAX YIELD AT AVERAGE RATE	UNUTILIZED POTENTIAL
NEW ENGLAND STATES	$ 152770	$ 136844	$ 20383	$ 250786	$ 196751	--
CONNECTICUT	24211	39470	15259	70181	56749	--
MAINE	19222	9067	--	19438	13037	--
MASSACHUSETTS	61407	66041	4634	111200	94952	--
NEW HAMPSHIRE	26122	8024	--	23938	11536	--
RHODE ISLAND	9687	10178	491	17879	14634	--
VERMONT	12121	4065	--	8150	5844	--
MIDDLE ATLANTIC STATES	$ 365989	$ 453753	$ 113578	$ 783692	$ 652397	--
DELAWARE	4516	7192	2676	11974	10340	--
NEW JERSEY	52446	92977	40531	165575	133680	--
NEW YORK	154795	225166	70371	375086	323739	--
PENNSYLVANIA	154232	128419	--	231057	184637	--
NORTH CENTRAL STATES	$ 547006	$ 655143	$ 162319	$ 878914	$ 941950	$ 105701
ILLINOIS	74359	140101	65742	181654	201434	19780
INDIANA	21151	57287	36136	47584	82366	34782
IOWA	35847	33093	--	40978	47580	6602
KANSAS	13615	26122	12507	27681	37557	9876
MICHIGAN	130826	108482	--	132209	155973	23764
MINNESOTA	46859	43260	--	75009	62198	--
MISSOURI	22951	49769	26818	74015	71556	--
NEBRASKA	8922	17562	8640	20029	25250	5221
NORTH DAKOTA	5473	7877	2404	7495	11325	3830
OHIO	143200	117715	--	186701	169249	--
SOUTH DAKOTA	5823	6978	1155	8185	10032	1847
WISCONSIN	37980	46899	8919	77374	67430	--
SREB STATES	$ 834761	$ 591853	$ 60106	$ 880794	$ 850953	$ 170207
ALABAMA	75001	29605	--	48604	42565	--
ARKANSAS	15148	17396	2248	37722	25011	--
FLORIDA	155124	81682	--	208915	117440	--

ALL NOTES AND FOOTNOTES ARE ON PAGE 104

TABLE 2 (CONTINUED)

INSURANCE TAXES			PUBLIC UTILITIES			OTHER SELECTIVE SALES TAXES		
AMOUNT COLLECTED	POTENTIAL TAX YIELD AT AVERAGE RATE	UNUTILIZED POTENTIAL	AMOUNT COLLECTED	POTENTIAL TAX YIELD AT AVERAGE RATE	UNUTILIZED POTENTIAL	AMOUNT COLLECTED	POTENTIAL TAX YIELD AT AVERAGE RATE	UNUTILIZED POTENTIAL
$ 138853	$ 96620	$ 726	$ 106896	$ 230854	$ 127965	$ 86946	$ 73864	$ 24138
51053	27868	--	67973	66585	--	7296	21304	14008
5965	6402	437	10327	15296	4969	--	4894	4894
66138	46629	--	--	111410	111410	56846	35647	--
5578	5665	87	1950	13536	11586	10195	4331	--
6985	7186	201	19198	17170	--	258	5494	5236
3134	2870	--	7448	6857	--	12351	2194	--
$ 300507	$ 320378	$ 30789	$ 703356	$ 765475	$ 126067	$ 232415	$ 244921	$ 91559
3412	5078	1666	13293	12132	--	807	3882	3075
49163	65648	16485	219638	156851	--	11334	50186	38852
169899	158982	--	307595	379852	72257	200590	121537	--
78033	90672	12639	162830	216640	53810	19684	69316	49632
$ 366106	$ 462572	$ 110602	$ 879920	$ 1105215	$ 318010	$ 102593	$ 353624	$ 289489
50763	98920	48157	304703	236348	--	23338	75622	52284
31573	40448	8875	28600	96642	68042	696	30921	30225
20080	23366	3286	22500	55827	33327	1085	17862	16777
16643	18443	1800	33116	44067	10951	--	14100	14100
59540	76595	17055	55200	183007	127807	108	58555	58447
44518	30544	--	83177	72979	--	57795	23350	--
32413	35140	2727	98120	83959	--	1800	26864	25064
9928	12400	2472	24800	29627	4827	567	9479	8912
3960	5561	1601	2016	13288	11272	542	4252	3710
68209	83114	14905	174173	198584	24411	5400	63539	58139
5089	4927	--	4258	11771	7513	7779	3766	--
23390	33114	9724	49257	79118	29861	3483	25315	21832
$ 479469	$ 417885	$ 7143	$ 1384222	$ 998447	$ 102047	$ 567171	$ 319463	$ 65312
29690	20903	--	100352	49943	--	13114	15980	2866
12212	12282	70	21900	29346	7446	605	9390	8785
50600	57672	7072	269479	137796	--	29564	44089	14525

TABLE 2 (CONTINUED)

STATE AND REGION	ALCOHOLIC BEVERAGES			TOBACCO PRODUCTS		
	AMOUNT COLLECTED	POTENTIAL TAX YIELD AT AVERAGE RATE	UNUTILIZED POTENTIAL	AMOUNT COLLECTED	POTENTIAL TAX YIELD AT AVERAGE RATE	UNUTILIZED POTENTIAL
SREB STATES (CONTINUED)						
GEORGIA	99644	45449	--	66913	65346	--
KENTUCKY	14231	29125	14894	18852	41876	23024
LOUISIANA	44273	31971	--	49945	45968	--
MARYLAND	25073	48273	23200	31678	69406	37728
MISSISSIPPI	22902	17530	--	23314	25204	1890
NORTH CAROLINA	75180	43788	--	20229	70146	49917
SOUTH CAROLINA	53759	22867	--	20515	32878	12363
TENNESSEE	53248	36514	--	58903	52498	--
TEXAS	96737	116501	19764	243608	167503	--
VIRGINIA	68723	50795	--	27747	73032	45285
WEST VIRGINIA	35718	15358	--	23849	22061	--
MOUNTAIN STATES	$ 114730	$ 116734	$ 22579	$ 142651	$ 167838	$ 33838
ARIZONA	14381	20864	6483	26470	29998	1528
COLORADO	14551	26482	11931	19282	38076	18794
IDAHO	13210	7343	--	7154	10557	3403
MONTANA	15224	7295	--	10248	10489	241
NEVADA	7676	6803	--	10164	9781	--
NEW MEXICO	5655	9210	3555	13081	13242	161
OKLAHOMA	28674	24976	--	44178	35910	--
UTAH	12388	10180	--	6424	14637	8213
WYOMING	2971	3581	610	3650	5148	1498
PACIFIC STATES	$ 257653	$ 321361	$ 130916	$ 342041	$ 462046	$ 120005
ALASKA	5235	4231	--	3244	6083	2839
CALIFORNIA	114883	245799	130916	250894	353405	102511
HAWAII	10229	9901	--	7143	14236	7093
OREGON	42425	23237	--	29747	33409	3662
WASHINGTON	84881	38193	--	51013	54912	3899
DISTRICT OF COLUMBIA	$ 12997	$ 10217	--	$ 7749	$ 14690	$ 6941
ALL STATES INCLUDING DISTRICT OF COLUMBIA	$ 2285906	$ 2285888	$ 509881	$ 3286627	$ 3286605	$ 436691

TABLE 2 (CONTINUED)

INSURANCE TAXES			PUBLIC UTILITIES			OTHER SELECTIVE SALES TAXES		
AMOUNT COLLECTED	POTENTIAL TAX YIELD AT AVERAGE RATE	UNUTILIZED POTENTIAL	AMOUNT COLLECTED	POTENTIAL TAX YIELD AT AVERAGE RATE	UNUTILIZED POTENTIAL	AMOUNT COLLECTED	POTENTIAL TAX YIELD AT AVERAGE RATE	UNUTILIZED POTENTIAL
39902	32090	--	62300	76672	14372	6200	24532	18332
41002	20564	--	16000	49134	33134	58709	15721	--
27161	22574	--	63443	53935	--	16888	17257	369
34222	34084	--	69625	81436	11811	80076	26056	--
17695	12377	--	15697	29572	13875	10121	9462	--
40340	34447	--	145773	82304	--	19725	26334	6609
19305	16146	--	38376	38577	201	11877	12343	466
29853	25781	--	114118	61598	--	6348	19709	13361
83746	82257	--	296009	196535	--	223453	62883	--
39675	35865	--	166450	85691	--	55711	27418	--
14066	10844	--	4700	25908	21208	34780	8290	--
$ 94296	$ 82422	$ 2173	$ 219831	$ 196929	$ 26853	$ 94983	$ 63009	$ 34385
12876	14731	1855	64837	35197	--	3700	11262	7562
18690	18698	8	56529	44675	--	1574	14294	12720
6226	5185	--	5726	12387	6661	--	3963	3963
6812	5151	--	6096	12307	6211	--	3938	3938
4494	4803	309	7502	11476	3974	53644	3672	--
8285	6503	--	12659	15537	2878	9732	4971	--
26861	17635	--	50396	42135	--	25107	13481	--
7250	7188	--	13186	17174	3988	1226	5495	4269
2802	2528	--	2900	6041	3141	--	1933	1933
$ 227445	$ 226901	$ 9616	$ 434809	$ 542131	$ 187488	$ 96525	$ 173460	$ 83334
3706	2987	--	3842	7138	3296	--	2284	2284
180832	173549	--	253109	414659	161550	68611	132674	64063
9150	6991	--	27235	16704	--	--	5344	5344
14396	16407	2011	16558	39200	22642	900	12542	11642
19361	26966	7605	134065	64430	--	27014	20615	--
$ 7317	$ 7214	--	$ 15846	$ 17236	$ 1390	$ 16769	$ 5515	--
$1613993	$ 1613979	$ 161047	$ 3744880	$ 3856265	$ 889820	$ 1197402	$ 1233852	$ 588217

TABLE 3

STATE DEATH AND GIFT TAX REVENUE,
FOR STATES, REGIONS AND THE UNITED STATES, 1973
(IN THOUSANDS)

STATE AND REGION	AMOUNT COLLECTED	POTENTIAL TAX YIELD AT AVERAGE RATE	UNUTILIZED POTENTIAL
NEW ENGLAND STATES	$ 169241	$ 86256	--
CONNECTICUT	64523	24879	--
MAINE	6048	5715	--
MASSACHUSETTS	77509	41627	--
NEW HAMPSHIRE	6815	5057	--
RHODE ISLAND	8849	6415	--
VERMONT	5497	2562	--
MIDDLE ATLANTIC STATES	$ 377272	$ 286010	--
DELAWARE	5980	4533	--
NEW JERSEY	74947	58605	--
NEW YORK	164781	141927	--
PENNSYLVANIA	131564	80945	--
NORTH CENTRAL STATES	$ 290924	$ 412950	$ 137017
ILLINOIS	86545	88308	1763
INDIANA	22882	36109	13227
IOWA	21801	20859	--
KANSAS	10006	16465	6459
MICHIGAN	33512	68378	34866
MINNESOTA	32059	27268	--
MISSOURI	15832	31370	15538
NEBRASKA	929	11070	10141
NORTH DAKOTA	1149	4965	3816
OHIO	24077	74198	50121
SOUTH DAKOTA	3313	4398	1085
WISCONSIN	38819	29561	--
SREB STATES	$ 227330	$ 373057	$ 159567
ALABAMA	2626	18661	16035
ARKANSAS	1289	10965	9676
FLORIDA	32884	51486	18602

ALL NOTES AND FOOTNOTES ARE ON PAGE 105

TABLE 3 (CONTINUED)

STATE AND REGION	AMOUNT COLLECTED	POTENTIAL TAX YIELD AT AVERAGE RATE	UNUTILIZED POTENTIAL
SREB STATES (CONTINUED)			
GEORGIA	5934	28647	22713
KENTUCKY	14501	18358	3857
LOUISIANA	12370	20152	7782
MARYLAND	11800	30428	18628
MISSISSIPPI	3975	11049	7074
NORTH CAROLINA	35798	30752	--
SOUTH CAROLINA	4930	14414	9484
TENNESSEE	31809	23015	--
TEXAS	47109	73433	26324
VIRGINIA	16718	32017	15299
WEST VIRGINIA	5587	9680	4093
MOUNTAIN STATES	$ 50756	$ 73580	$ 25088
ARIZONA	3645	13151	9506
COLORADO	17007	16692	--
IDAHO	1875	4628	2753
MONTANA	4808	4598	--
NEVADA	--	4288	4288
NEW MEXICO	1402	5805	4403
OKLAHOMA	17483	15743	--
UTAH	3566	6417	2851
WYOMING	970	2257	1287
PACIFIC STATES	$ 315532	$ 202560	$ 6744
ALASKA	64	2667	2603
CALIFORNIA	259162	154932	--
HAWAII	2100	6241	4141
OREGON	17649	14647	--
WASHINGTON	36557	24074	--
DISTRICT OF COLUMBIA	$ 5512	$ 6440	$ 928
ALL STATES INCLUDING DISTRICT OF COLUMBIA	$ 1436567	$ 1440844	$ 329344

TABLE 4

STATE AND LOCAL GENERAL PROPERTY TAX REVENUE
FOR STATES, REGIONS AND THE UNITED STATES, 1973
(IN THOUSANDS)

STATE AND REGION	AMOUNT COLLECTED	POTENTIAL TAX YIELD AT AVERAGE RATE	UNUTILIZED POTENTIAL
NEW ENGLAND STATES	$ 3922924	$ 2711108	--
CONNECTICUT	1084600	781960	--
MAINE	229293	179639	--
MASSACHUSETTS	2082280	1308376	--
NEW HAMPSHIRE	204978	158961	--
RHODE ISLAND	212200	201644	--
VERMONT	109573	80529	--
MIDDLE ATLANTIC STATES	$ 10298282	$ 8989608	$ 802038
DELAWARE	59962	142478	82516
NEW JERSEY	2563990	1842026	--
NEW YORK	5849667	4460919	--
PENNSYLVANIA	1824663	2544185	719522
NORTH CENTRAL STATES	$ 12884144	$ 12979464	$ 647235
ILLINOIS	2746310	2775627	29317
INDIANA	1254488	1134944	--
IOWA	674110	655622	--
KANSAS	558507	517511	--
MICHIGAN	2118603	2149202	30599
MINNESOTA	861822	857052	--
MISSOURI	775468	986002	210534
NEBRASKA	365879	347933	--
NORTH DAKOTA	116953	156050	39097
OHIO	1994450	2332138	337688
SOUTH DAKOTA	175000	138240	--
WISCONSIN	1242554	929148	--
SREB STATES	$ 7432262	$ 11725586	$ 4293324
ALABAMA	163798	586524	422726
ARKANSAS	160413	344636	184223
FLORIDA	1099608	1618248	518640

ALL NOTES AND FOOTNOTES ARE ON PAGE 105

TABLE 4 (CONTINUED)

STATE AND REGION	AMOUNT COLLECTED	POTENTIAL TAX YIELD AT AVERAGE RATE	UNUTILIZED POTENTIAL
SREB STATES (CONTINUED)			
GEORGIA	603990	900421	296431
KENTUCKY	260285	577019	316734
LOUISIANA	297330	633403	336073
MARYLAND	798654	956376	157722
MISSISSIPPI	193395	347291	153896
NORTH CAROLINA	528721	966565	437844
SOUTH CAROLINA	228298	453036	224738
TENNESSEE	425800	723394	29759-
TEXAS	1896991	2308077	411086
VIRGINIA	625469	1006338	380869
WEST VIRGINIA	149510	304265	154755
MOUNTAIN STATES	$ 2038021	$ 2312699	$ 365615
ARIZONA	434792	413349	--
COLORADO	530161	524660	--
IDAHO	117283	145475	28192
MONTANA	192194	144533	--
NEVADA	129202	134772	5570
NEW MEXICO	100127	182465	82338
OKLAHOMA	277700	494821	217121
UTAH	169292	201687	32395
WYOMING	87270	70939	--
PACIFIC STATES	$ 8564438	$ 6366691	$ 208863
ALASKA	41500	83826	42326
CALIFORNIA	7168392	4869688	--
HAWAII	105800	196164	90364
OREGON	568261	460357	--
WASHINGTON	680485	756658	76173
DISTRICT OF COLUMBIA	$ 147793	$ 202415	$ 54622
ALL STATES INCLUDING DISTRICT OF COLUMBIA	$ 45287600	$ 45287312	$ 6371693

TABLE 5

STATE AND LOCAL INDIVIDUAL AND CORPORATE INCOME TAX REVENUE,
FOR STATES, REGIONS AND THE UNITED STATES, 1973
(IN THOUSANDS)

STATE AND REGION	INDIVIDUAL INCOME TAXES			CORPORATE INCOME TAXES		
	AMOUNT COLLECTED	POTENTIAL TAX YIELD AT AVERAGE RATE	UNUTILIZED POTENTIAL	AMOUNT COLLECTED	POTENTIAL TAX YIELD AT AVERAGE RATE	UNUTILIZED POTENTIAL
NEW ENGLAND STATES	$ 1083410	$ 1317393	$ 485203	$ 465925	$ 351576	$ 17326
CONNECTICUT	50617	379974	329357	138556	101404	--
MAINE	31308	87291	55983	10044	23296	13252
MASSACHUSETTS	876373	635772	--	259401	169670	--
NEW HAMPSHIRE	7622	77243	69621	19061	20614	1553
RHODE ISLAND	67742	97984	30242	30941	26149	--
VERMONT	49748	39131	--	7922	10443	2521
MIDDLE ATLANTIC STATES	$ 5680535	$ 4368274	$ 858060	$ 1561012	$ 1165771	$ 68286
DELAWARE	97753	69234	--	18585	18477	--
NEW JERSEY	37027	895087	858060	170588	238874	68286
NEW YORK	4005930	2167671	--	874627	578491	--
PENNSYLVANIA	1539825	1236283	--	497212	329930	--
NORTH CENTRAL STATES	$ 5171108	$ 6307042	$ 1614066	$ 1267051	$ 1683171	$ 576924
ILLINOIS	894697	1348746	454049	229083	359943	130860
INDIANA	284916	551498	266582	10084	147179	137095
IOWA	242863	318583	75720	47288	85021	37733
KANSAS	114268	251471	137203	53871	67111	13290
MICHIGAN	1076319	1044351	--	364380	278708	--
MINNESOTA	586235	416463	--	170655	111142	--
MISSOURI	382327	479123	96796	62664	127865	65201
NEBRASKA	85137	169069	83932	14010	45120	31110
NORTH DAKOTA	27318	75826	48510	10089	20236	10147
OHIO	749143	1133243	384100	167970	302431	134461
SOUTH DAKOTA	--	67174	67174	900	17927	17027
WISCONSIN	727885	451496	--	136107	120492	--
SREB STATES	$ 2872864	$ 5697752	$ 3117795	$ 1009121	$ 1520571	$ 539061
ALABAMA	155931	285006	129075	40939	76060	35121
ARKANSAS	89343	167467	78124	37825	44692	6867
FLORIDA	--	786347	786347	147708	209854	62146

ALL NOTES AND FOOTNOTES ARE ON PAGE 105

TABLE 5 (CONTINUED)

STATE AND REGION	INDIVIDUAL INCOME TAXES			CORPORATE INCOME TAXES		
	AMOUNT COLLECTED	POTENTIAL TAX YIELD AT AVERAGE RATE	UNUTILIZED POTENTIAL	AMOUNT COLLECTED	POTENTIAL TAX YIELD AT AVERAGE RATE	UNUTILIZED POTENTIAL
SREB STATES (CONTINUED)						
GEORGIA	284909	437537	152628	114114	116766	2652
KENTUCKY	245616	280388	34772	69338	74828	5490
LOUISIANA	109417	307786	198369	78781	82140	3359
MARYLAND	757633	464727	--	80035	124023	43988
MISSISSIPPI	70004	168757	98753	26088	45037	18949
NORTH CAROLINA	431222	469678	38456	139239	125344	--
SOUTH CAROLINA	183228	220141	36913	63295	58750	--
TENNESSEE	15103	351515	336412	102978	93810	--
TEXAS	--	1121552	1121552	--	299311	299311
VIRGINIA	442000	489004	47004	96618	130502	33884
WEST VIRGINIA	88458	147850	59392	12163	39457	27294
MOUNTAIN STATES	$ 672275	$ 1123798	$ 458358	$ 185004	$ 299911	$ 118327
ARIZONA	108631	200857	92226	37408	53603	16195
COLORADO	185785	254946	69161	38993	68038	29045
IDAHO	57691	70690	12999	16024	18865	2841
MONTANA	77066	70232	--	12507	18743	6236
NEVADA	--	65489	65489	--	17477	17477
NEW MEXICO	49501	88664	39163	15063	23662	8599
OKLAHOMA	105054	240446	135392	35434	64168	28734
UTAH	88547	98005	9458	29575	26155	--
WYOMING	--	34471	34471	--	9199	9199
PACIFIC STATES	$ 2365290	$ 3093733	$ 847539	$ 937331	$ 825672	$ 123147
ALASKA	43363	40733	--	6964	10871	3907
CALIFORNIA	1886442	2366302	479860	866347	631500	--
HAWAII	134930	95321	--	12889	25439	12550
OREGON	300555	223699	--	51131	59699	8568
WASHINGTON	--	367679	367679	--	98123	98123
DISTRICT OF COLUMBIA	$ 124714	$ 98358	--	$ 23334	$ 26249	$ 2915
ALL STATES INCLUDING DISTRICT OF COLUMBIA	$17970192	$ 22006208	$ 7381013	$ 5448778	$ 5872866	$ 1445979

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TABLE 6

STATE ALCOHOLIC BEVERAGE LICENSE TAX REVENUE,
FOR STATES, REGIONS AND THE UNITED STATES, 1973
(IN THOUSANDS)

STATE AND REGION	AMOUNT COLLECTED	POTENTIAL TAX YIELD AT AVERAGE RATE	UNUTILIZED POTENTIAL
NEW ENGLAND STATES	$ 6793	$ 8507	$ 4326
CONNECTICUT	4590	2454	--
MAINE	1015	564	--
MASSACHUSETTS	425	4105	3680
NEW HAMPSHIRE	359	499	140
RHODE ISLAND	127	633	506
VERMONT	277	253	--
MIDDLE ATLANTIC STATES	$ 43631	$ 28208	$ 4114
DELAWARE	301	447	146
NEW JERSEY	1812	5780	3968
NEW YORK	32876	13998	--
PENNSYLVANIA	8642	7983	--
NORTH CENTRAL STATES	$ 31498	$ 40727	$ 17176
ILLINOIS	1076	8709	7633
INDIANA	5885	3561	--
IOWA	3733	2057	--
KANSAS	460	1624	1164
MICHIGAN	6397	6744	347
MINNESOTA	319	2689	2370
MISSOURI	1517	3094	1577
NEBRASKA	133	1092	959
NORTH DAKOTA	195	490	295
OHIO	10789	7318	--
SOUTH DAKOTA	910	434	--
WISCONSIN	84	2916	2832
SREB STATES	$ 28013	$ 36793	$ 14837
ALABAMA	2178	1840	--
ARKANSAS	665	1081	416
FLORIDA	10710	5078	--

ALL NOTES AND FOOTNOTES ARE ON PAGE 105

TABLE 6 (CONTINUED)

STATE AND REGION	AMOUNT COLLECTED	POTENTIAL TAX YIELD AT AVERAGE RATE	UNUTILIZED POTENTIAL
SREB STATES (CONTINUED)			
GEORGIA	592	2825	2233
KENTUCKY	932	1811	879
LOUISIANA	1612	1988	376
MARYLAND	211	3001	2790
MISSISSIPPI	98	1090	992
NORTH CAROLINA	419	3033	2614
SOUTH CAROLINA	1224	1422	198
TENNESSEE	378	2270	1892
TEXAS	6797	7242	445
VIRGINIA	1155	3158	2003
WEST VIRGINIA	1042	955	--
MOUNTAIN STATES	$ 5497	$ 7257	$ 2383
ARIZONA	1197	1297	100
COLORADO	1474	1646	172
IDAHO	549	456	--
MONTANA	984	454	--
NEVADA	17	423	406
NEW MEXICO	263	573	310
OKLAHOMA	927	1553	626
UTAH	72	633	561
WYOMING	14	223	209
PACIFIC STATES	$ 24971	$ 19978	$ 1230
ALASKA	806	263	--
CALIFORNIA	20698	15280	--
HAWAII	--	616	616
OREGON	830	1445	615
WASHINGTON	2637	2374	--
DISTRICT OF COLUMBIA	$ 1086	$ 635	--
ALL STATES INCLUDING DISTRICT OF COLUMBIA	$ 141489	$ 142104	$ 44066

TABLE 7

NUMBER OF MOTOR VEHICLES REGISTERED
AND STATE AND LOCAL MOTOR VEHICLE LICENSE TAX REVENUE,
FOR STATES, REGIONS AND THE UNITED STATES, 1973
(IN THOUSANDS)

STATE AND REGION	NUMBER OF MOTOR VEHICLES REGISTERED, 1973	AMOUNT COLLECTED	POTENTIAL TAX YIELD AT AVERAGE RATE	UNUTILIZED POTENTIAL
NEW ENGLAND STATES	6772	$ 150080	$ 197742	$ 55558
CONNECTICUT	1939	44240	56619	12379
MAINE	582	15741	16994	1253
MASSACHUSETTS	2944	47128	85965	38837
NEW HAMPSHIRE	468	15227	13666	--
RHODE ISLAND	566	13438	16527	3089
VERMONT	273	14306	7972	--
MIDDLE ATLANTIC STATES	18203	$ 595507	$ 531528	$ 29728
DELAWARE	341	15830	9957	--
NEW JERSEY	4094	143909	119545	--
NEW YORK	7113	271170	207700	--
PENNSYLVANIA	6655	164598	194326	29728
NORTH CENTRAL STATES	34007	$ 1256518	$ 993005	$ 43747
ILLINOIS	5867	348877	171317	--
INDIANA	2959	55391	86403	31012
IOWA	1985	89436	57962	--
KANSAS	1818	40351	53086	12735
MICHIGAN	5187	170794	151461	--
MINNESOTA	2499	87934	72971	--
MISSOURI	2719	95168	79395	--
NEBRASKA	1141	34616	33317	--
NORTH DAKOTA	489	17495	14279	--
OHIO	6359	223214	185683	--
SOUTH DAKOTA	484	18138	14133	--
WISCONSIN	2500	75104	73000	--
SREB STATES	38452	$ 978447	$ 1122798	$ 203115
ALABAMA	2363	37938	69000	31062
ARKANSAS	1096	32848	32003	--
FLORIDA	5131	173161	149825	--

ALL NOTES AND FOOTNOTES ARE ON PAGE 105

TABLE 7 (CONTINUED)

STATE AND REGION	NUMBER OF MOTOR VEHICLES REGISTERED, 1973	AMOUNT COLLECTED	POTENTIAL TAX YIELD AT AVERAGE RATE	UNUTILIZED POTENTIAL
SREB STATES (CONTINUED)				
GEORGIA	3157	41202	92185	50983
KENTUCKY	2106	39132	61495	22363
LOUISIANA	2069	23418	60415	36997
MARYLAND	2272	65198	66342	1144
MISSISSIPPI	1313	25984	38340	12356
NORTH CAROLINA	3455	80053	100915	20862
SOUTH CAROLINA	1608	22061	46954	24893
TENNESSEE	2439	84782	71219	--
TEXAS	7708	222618	225074	2456
VIRGINIA	2815	98242	82198	--
WEST VIRGINIA	919	31810	26835	--
MOUNTAIN STATES	8715	$ 220164	$ 254478	$ 51076
ARIZONA	1418	31020	41406	10386
COLORADO	1805	30845	52706	21861
IDAHO	596	18080	17403	--
MONTANA	652	14389	19038	4649
NEVADA	428	11400	12498	1098
NEW MEXICO	758	17461	22134	4673
OKLAHOMA	1978	71332	57758	--
UTAH	789	14629	23039	8410
WYOMING	291	11008	8497	--
PACIFIC STATES	18077	$ 420677	$ 527849	$ 121646
ALASKA	161	6170	4701	--
CALIFORNIA	13445	288385	392595	104210
HAWAII	473	13180	13812	632
OREGON	1619	60280	47275	--
WASHINGTON	2379	52662	69467	16805
DISTRICT OF COLUMBIA	252	$ 13371	$ 7358	--
ALL STATES INCLUDING DISTRICT OF COLUMBIA	124478	$ 3634764	$ 3634741	$ 504870

TABLE 8

STATE AND LOCAL MOTOR FUEL TAX REVENUE,
FOR STATES, REGIONS AND THE UNITED STATES, 1973
(IN THOUSANDS)

STATE AND REGION	AMOUNT COLLECTED	POTENTIAL TAX YIELD AT AVERAGE RATE	UNUTILIZED POTENTIAL
NEW ENGLAND STATES	$ 463155	$ 441900	$ 12945
CONNECTICUT	138420	126527	--
MAINE	50663	37978	--
MASSACHUSETTS	184235	192108	7872
NEW HAMPSHIRE	36408	30539	--
RHODE ISLAND	31861	36934	5072
VERMONT	21568	17814	--
MIDDLE ATLANTIC STATES	$ 1226319	$ 1187817	--
DELAWARE	25046	22252	--
NEW JERSEY	271751	267150	--
NEW YORK	484650	464151	--
PENNSYLVANIA	444872	434265	--
NORTH CENTRAL STATES	$ 2187241	$ 2219086	$ 115220
ILLINOIS	373818	382845	9026
INDIANA	251194	193086	--
IOWA	114399	129529	15130
KANSAS	105616	118632	13015
MICHIGAN	350692	338472	--
MINNESOTA	144573	163070	18496
MISSOURI	181654	177425	--
NEBRASKA	79218	74455	--
NORTH DAKOTA	25184	31909	6725
OHIO	369519	414950	45430
SOUTH DAKOTA	35634	31582	--
WISCONSIN	155740	163135	7394
SREB STATES	$ 2675679	$ 2509141	$ 117604
ALABAMA	163640	154195	--
ARKANSAS	94821	71518	--
FLORIDA	348786	334818	--

ALL NOTES AND FOOTNOTES ARE ON PAGE 106

TABLE 8 (CONTINUED)

STATE AND REGION	AMOUNT COLLECTED	POTENTIAL TAX YIELD AT AVERAGE RATE	UNUTILIZED POTENTIAL
SREB STATES (CONTINUED)			
GEORGIA	227119	206007	--
KENTUCKY	169823	137425	--
LOUISIANA	146982	135010	--
MARYLAND	171712	148257	--
MISSISSIPPI	114761	85678	--
NORTH CAROLINA	264490	225518	--
SOUTH CAROLINA	121160	104928	--
TENNESSEE	166294	159154	--
TEXAS	385373	502977	117604
VIRGINIA	231710	183690	--
WEST VIRGINIA	69058	59968	--
MOUNTAIN STATES	$ 516594	$ 568688	$ 62088
ARIZONA	88036	92530	4494
COLORADO	93160	117783	24623
IDAHO	35621	38891	3270
MONTANA	35719	42545	6826
NEVADA	31005	27929	--
NEW MEXICO	51943	49462	--
OKLAHOMA	109340	129072	19732
UTAH	48344	51485	3141
WYOMING	23426	18989	--
PACIFIC STATES	$ 1033605	$ 1179595	$ 152151
ALASKA	12391	10506	--
CALIFORNIA	747226	877339	130113
HAWAII	29763	30865	1102
OREGON	84710	105646	20936
WASHINGTON	159515	155239	--
DISTRICT OF COLUMBIA	$ 20090	$ 16444	--
ALL STATES INCLUDING DISTRICT OF COLUMBIA	$ 8122683	$ 8122660	$ 460009

TABLE 9

VALUE OF PRODUCTS SEVERED AND
SEVERANCE TAX REVENUE,
FOR STATES, REGIONS AND THE UNITED STATES, 1973
(IN THOUSANDS)

STATE AND REGION	VALUE OF SEVERED PRODUCTS	AMOUNT COLLECTED	POTENTIAL TAX YIELD AT AVERAGE RATE	UNUTILIZED POTENTIAL
NEW ENGLAND STATES	$ 259875	$ 84	$ 8427	$ 8343
CONNECTICUT	34851	--	1130	1130
MAINE	59256	--	1922	1922
MASSACHUSETTS	100911	--	3272	3272
NEW HAMPSHIRE	11839	84	384	300
RHODE ISLAND	16756	--	543	543
VERMONT	36264	--	1176	1176
MIDDLE ATLANTIC STATES	$ 1714837	--	$ 55609	$ 55609
DELAWARE	5094	--	165	165
NEW JERSEY	128339	--	4162	4162
NEW YORK	345865	--	11216	11216
PENNSYLVANIA	1235539	--	40066	40066
NORTH CENTRAL STATES	$ 4702846	$ 30299	$ 152504	$ 122205
ILLINOIS	772127	--	25039	25039
INDIANA	326455	203	10586	10383
IOWA	136025	--	4411	4411
KANSAS	585014	711	18971	18260
MICHIGAN	702288	1126	22774	21648
MINNESOTA	662023	19978	21468	1490
MISSOURI	455832	--	14782	14782
NEBRASKA	73825	525	2394	1869
NORTH DAKOTA	98164	3140	3183	43
OHIO	729757	4141	23665	19524
SOUTH DAKOTA	65495	--	2124	2124
WISCONSIN	95841	475	3108	2633
SREB STATES	$ 18071984	$ 675533	$ 586040	$ 113485
ALABAMA	401216	6522	13011	6489
ARKANSAS	244799	4911	7938	3027
FLORIDA	485097	4910	15731	10821

ALL NOTES AND FOOTNOTES ARE ON PAGE 106

TABLE 9 (CONTINUED)

STATE AND REGION	VALUE OF SEVERED PRODUCTS	AMOUNT COLLECTED	POTENTIAL TAX YIELD AT AVERAGE RATE	UNUTILIZED POTENTIAL
SREB STATES (CONTINUED)				
GEORGIA	286539	--	9292	9292
KENTUCKY	980956	37385	31811	--
LOUISIANA	5486928	267712	177931	--
MARYLAND	135379	--	4390	4390
MISSISSIPPI	281311	13733	9122	--
NORTH CAROLINA	140267	--	4549	4549
SOUTH CAROLINA	97265	--	3154	3154
TENNESSEE	275410	--	8931	8931
TEXAS	7300634	339757	236746	--
VIRGINIA	523844	603	16987	16384
WEST VIRGINIA	1432354	--	46449	46449
MOUNTAIN STATES	$ 5718381	$ 123859	$ 185436	$ 95080
ARIZONA	1093644	--	35465	35465
COLORADO	426216	833	13821	12988
IDAHO	108119	73	3506	3433
MONTANA	309284	5226	10029	4803
NEVADA	181708	104	5892	5788
NEW MEXICO	1098531	36947	35623	--
OKLAHOMA	1211213	71456	39277	--
UTAH	542863	3913	17604	13691
WYOMING	746803	5307	24217	18910
PACIFIC STATES	$ 2644117	$ 20668	$ 85744	$ 66164
ALASKA	401216	14099	13011	--
CALIFORNIA	1949158	2079	63207	61128
HAWAII	33249	--	1078	1078
OREGON	107367	2581	3482	901
WASHINGTON	153127	1909	4966	3057
DISTRICT OF COLUMBIA	--	--	--	--
ALL STATES INCLUDING DISTRICT OF COLUMBIA	$ 33111936	$ 850443	$ 1073758	$ 460885

TABLE 10

STATE TRANSFER TAXES,
FOR STATES, REGIONS AND THE UNITED STATES, 1973
(IN THOUSANDS)

STATE AND REGION	AMOUNT COLLECTED	POTENTIAL TAX YIELD AT AVERAGE RATE	UNUTILIZED POTENTIAL
NEW ENGLAND STATES	$ 11689	$ 39182	$ 28358
CONNECTICUT	--	11301	11301
MAINE	--	2596	2596
MASSACHUSETTS	8329	18909	10580
NEW HAMPSHIRE	812	2297	1485
RHODE ISLAND	519	2914	2395
VERMONT	2029	1164	--
MIDDLE ATLANTIC STATES	$ 338174	$ 129922	$ 26622
DELAWARE	7087	2059	--
NEW JERSEY	--	26622	26622
NEW YORK	280602	64471	--
PENNSYLVANIA	50485	36770	--
NORTH CENTRAL STATES	$ 12782	$ 187585	$ 174803
ILLINOIS	3908	40115	36207
INDIANA	--	16403	16403
IOWA	1347	9475	8128
KANSAS	--	7479	7479
MICHIGAN	--	31061	31061
MINNESOTA	5418	12397	6969
MISSOURI	--	14250	14250
NEBRASKA	855	5028	4173
NORTH DAKOTA	--	2255	2255
OHIO	--	33705	33705
SOUTH DAKOTA	--	1998	1998
WISCONSIN	1254	13428	12174
SREB STATES	$ 194920	$ 169463	$ 88909
ALABAMA	4217	8477	4260
ARKANSAS	1421	4981	3560
FLORIDA	132026	23388	--

ALL NOTES AND FOOTNOTES ARE ON PAGE 106

TABLE 10 (CONTINUED)

STATE AND REGION	AMOUNT COLLECTED	POTENTIAL TAX YIELD AT AVERAGE RATE	UNUTILIZED POTENTIAL
SREB STATES (CONTINUED)			
GEORGIA	3800	13013	9213
KENTUCKY	1750	8339	6589
LOUISIANA	--	9154	9154
MARYLAND	15174	13822	--
MISSISSIPPI	--	5019	5019
NORTH CAROLINA	--	13969	13969
SOUTH CAROLINA	5757	6547	790
TENNESSEE	11004	10455	--
TEXAS	--	33357	33357
VIRGINIA	18370	14544	--
WEST VIRGINIA	1401	4397	2996
MOUNTAIN STATES	$ 2640	$ 33424	$ 30784
ARIZONA	--	5974	5974
COLORADO	--	7583	7583
IDAHO	--	2102	2102
MONTANA	--	2089	2089
NEVADA	688	1948	[illegible]
NEW MEXICO	--	2637	2637
OKLAHOMA	1952	7151	5199
UTAH	--	2915	2915
WYOMING	--	1025	1025
PACIFIC STATES	$ 3089	$ 92014	$ 88925
ALASKA	--	1211	1211
CALIFORNIA	--	70379	70379
HAWAII	862	2835	1973
OREGON	294	6653	6359
WASHINGTON	1933	10936	9003
DISTRICT OF COLUMBIA	$ 2267	$ 2925	$ 658
ALL STATES INCLUDING DISTRICT OF COLUMBIA	$ 565561	$ 654515	$ 439059

TABLE 11

OTHER TAX REVENUE
AND TOTAL STATE AND LOCAL TAX REVENUE,
FOR STATES, REGIONS AND THE UNITED STATES, 1973
(IN THOUSANDS)

STATE AND REGION	PARIMUTUEL TAXES	OTHER LICENSE TAXES	OTHER AND UNALLOCABLE TAXES	TOTAL STATE AND LOCAL TAXES
NEW ENGLAND STATES	$ 56544	$ 95059	$ 35216	$ 8132614
CONNECTICUT	--	20491	9700	2243279
MAINE	1776	11328	1802	531548
MASSACHUSETTS	32729	45635	13400	4153397
NEW HAMPSHIRE	10203	8855	4461	382668
RHODE ISLAND	9146	4606	2600	532046
VERMONT	2690	4144	3253	289676
MIDDLE ATLANTIC STATES	$ 230159	$ 610362	$ 362200	$ 28298256
DELAWARE	8686	65206	4400	342838
NEW JERSEY	40229	146018	28200	4658565
NEW YORK	155651	83470	111700	16321882
PENNSYLVANIA	24593	315668	217900	6974978
NORTH CENTRAL STATES	$ 95856	$ 584020	$ 255901	$ 32627200
ILLINOIS	49780	40499	53100	6913403
INDIANA	--	16227	8800	2524276
IOWA	--	18367	5600	1583269
KANSAS	--	15223	10100	1202840
MICHIGAN	24586	191019	31593	5839249
MINNESOTA	--	29179	14000	2560656
MISSOURI	--	40320	33200	2278719
NEBRASKA	3209	10741	16900	798225
NORTH DAKOTA	--	5815	4500	301416
OHIO	16785	177073	58400	5228075
SOUTH DAKOTA	1496	5736	1400	343297
WISCONSIN	--	33521	18308	3053802
SREB STATES	$ 116287	$ 636758	$ 460578	$ 27965744
ALABAMA	--	45549	36600	1295463
ARKANSAS	8273	15135	8350	711233
FLORIDA	66460	62199	62700	3096091

ALL NOTES AND FOOTNOTES ARE ON PAGE 107

TABLE 11 (CONTINUED)

STATE AND REGION	PARIMUTUEL TAXES	OTHER LICENSE TAXES	OTHER AND UNALLOCABLE TAXES	TOTAL STATE AND LOCAL TAXES
SREB STATES (CONTINUED)				
GEORGIA	--	21776	40063	2123846
KENTUCKY	8151	20277	30701	1363336
LOUISIANA	6308	56469	39600	1722127
MARYLAND	15696	18517	68617	2569603
MISSISSIPPI	--	28058	7519	891080
NORTH CAROLINA	--	65727	13600	2304774
SOUTH CAROLINA	--	17607	14900	1092483
TENNESSEE	--	73206	19248	1722158
TEXAS	--	175156	23700	5134643
VIRGINIA	--	26550	71246	2375545
WEST VIRGINIA	11399	10532	23734	763382
MOUNTAIN STATES	$ 12525	$ 125872	$ 86876	$ 6028749
ARIZONA	5593	12421	15500	1195358
COLORADO	5355	19371	24878	1369006
IDAHO	186	14206	1800	356703
MONTANA	--	8335	1953	391561
NEVADA	8	23414	21700	380871
NEW MEXICO	1302	8398	5000	493471
OKLAHOMA	--	20559	9545	1087453
UTAH	--	8029	3400	561723
WYOMING	81	4939	3100	192603
PACIFIC STATES	$ 78687	$ 174543	$ 287775	$ 19335888
ALASKA	--	10884	2775	166143
CALIFORNIA	72047	92690	244100	15306404
HAWAII	--	6452	4300	574720
OREGON	3391	26991	11900	1232599
WASHINGTON	3249	37526	24700	2056037
DISTRICT OF COLUMBIA	--	$ 5291	--	$ 501303
ALL STATES INCLUDING DISTRICT OF COLUMBIA	$ 590058	$ 2231905	$ 1488546	$ 122889248

TABLE 12

SUMMARY OF UNUTILIZED POTENTIAL, 1973
(IN THOUSANDS)

STATE AND REGION	GENERAL SALES AND GROSS RECEIPTS TAXES	SELECTIVE SALES AND GROSS RECEIPTS TAXES	DEATH AND GIFT TAXES	GENERAL PROPERTY TAXES	INCOME TAXES	
					INDIVIDUAL	CORPORATE
NEW ENGLAND STATES	$ 554512	$ 173212	--	--	$ 485203	$ 17326
CONNECTICUT	--	29267	--	--	329357	--
MAINE	--	10301	--	--	55983	13252
MASSACHUSETTS	447454	116043	--	--	--	--
NEW HAMPSHIRE	82351	11673	--	--	69621	1553
RHODE ISLAND	8454	5928	--	--	30242	--
VERMONT	16254	--	--	--	--	2521
MIDDLE ATLANTIC STATES	$ 555069	$ 361993	--	$ 802038	$ 858060	$ 68286
DELAWARE	73812	7416	--	82516	--	--
NEW JERSEY	272340	95867	--	--	858060	68286
NEW YORK	--	142629	--	--	--	--
PENNSYLVANIA	208917	116081	--	719522	--	--
NORTH CENTRAL STATES	$ 951736	$ 986121	$ 137017	$ 647235	$ 1614066	$ 576924
ILLINOIS	--	185962	1763	29317	454049	130860
INDIANA	103666	178059	13227	--	266582	137095
IOWA	95816	59992	--	--	75720	37733
KANSAS	65379	49233	6459	--	137203	13290
MICHIGAN	21068	227072	34866	30599	--	--
MINNESOTA	142878	--	--	--	--	--
MISSOURI	49537	54608	15538	210534	96796	65201
NEBRASKA	58423	30072	10141	--	83932	31110
NORTH DAKOTA	10751	22816	3816	39097	48510	10147
OHIO	353353	97456	50121	337688	384100	134461
SOUTH DAKOTA	1980	10515	1085	--	67174	17027
WISCONSIN	48886	70335	--	--	--	--
SREB STATES	$ 471362	$ 404815	$ 159567	$ 4293324	$ 3117795	$ 539061
ALABAMA	--	2866	16035	422726	129075	35121
ARKANSAS	10190	18549	9676	184223	78124	6867
FLORIDA	--	21597	18602	518640	786347	62146

ALL NOTES AND FOOTNOTES ARE ON PAGE 107

TABLE 12 (CONTINUED)

LICENSE TAXES					
ALCOHOLIC BEVERAGE	MOTOR VEHICLE	MOTOR FUEL TAXES	SEVERANCE TAXES	TRANSFER TAXES	TOTAL UNUTILIZED POTENTIAL
$ 4326	$ 55558	$ 12945	$ 8343	$ 28358	$ 1339781
--	12379	--	1130	11301	383434
--	1253	--	1922	2596	85306
3680	38837	7873	3272	10580	627740
140	--	--	300	1485	167123
506	3089	5073	543	2395	56230
--	--	--	1176	--	19951
$ 4114	$ 29728	--	$ 55609	$ 26622	$ 2761515
146	--	--	165	--	164056
3968	--	--	4162	26622	1329301
--	--	--	11216	--	153844
--	29728	--	40066	--	1114314
$ 17176	$ 43747	$ 115228	$ 122205	$ 174803	$ 5386246
7633	--	9027	25039	36207	879857
--	31012	--	10383	16403	756428
--	--	15130	4411	8128	296930
1164	12735	13016	18260	7479	324217
347	--	--	21648	31061	366661
2370	--	18497	1490	6969	172203
1577	--	--	14782	14250	522823
959	--	--	1869	4173	220679
295	--	6725	43	2255	144455
--	--	45431	19524	33705	1455836
--	--	--	2124	1998	101904
2832	--	7395	2633	12174	144255
$ 14837	$ 203115	$ 117604	$ 113485	$ 88909	$ 9523871
--	31062	--	6489	4260	647633
416	--	--	3027	3560	314633
--	--	--	10821	--	1418152

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TABLE 12 (CONTINUED)

STATE AND REGION	GENERAL SALES AND GROSS RECEIPTS TAXES	SELECTIVE SALES AND GROSS RECEIPTS TAXES	DEATH AND GIFT TAXES	GENERAL PROPERTY TAXES	INCOME TAXES	
					INDIVIDUAL	CORPORATE
SREB STATES (CONTINUED)						
GEORGIA	--	32704	22713	296431	152628	2652
KENTUCKY	--	71052	3857	316734	34772	5490
LOUISIANA	--	369	7782	336073	198369	3359
MARYLAND	169777	72740	18628	157722	--	43988
MISSISSIPPI	--	15765	7074	153896	98753	18949
NORTH CAROLINA	56480	56526	--	437844	38456	--
SOUTH CAROLINA	--	13029	9484	224738	36913	--
TENNESSEE	--	13361	--	297594	336412	--
TEXAS	102131	19764	26324	411086	1121552	299311
VIRGINIA	132784	45285	15299	380869	47004	33884
WEST VIRGINIA	--	21208	4093	154755	59392	27294
MOUNTAIN STATES	$ 160133	$ 119828	$ 25088	$ 365615	$ 458358	$ 118327
ARIZONA	--	17428	9506	--	92226	16195
COLORADO	--	43454	--	--	69161	29045
IDAHO	14366	14028	2753	28192	12999	2841
MONTANA	74877	10390	--	--	--	6236
NEVADA	--	4283	4288	5570	65489	17477
NEW MEXICO	--	6594	4403	82338	39163	8599
OKLAHOMA	70891	--	--	217121	135392	28734
UTAH	--	16470	2851	32395	9458	--
WYOMING	--	7181	1287	--	34471	9199
PACIFIC STATES	$ 270819	$ 531358	$ 6744	$ 208863	$ 847539	$ 123147
ALASKA	32327	8419	2603	42326	--	3907
CALIFORNIA	--	459040	--	--	479860	--
HAWAII	--	12438	4141	90364	--	12550
OREGON	238492	39957	--	--	--	8568
WASHINGTON	--	11505	--	76173	367679	98123
DISTRICT OF COLUMBIA	$ 7696	$ 8331	$ 928	$ 54622	--	$ 2915
ALL STATES INCLUDING DISTRICT OF COLUMBIA	$ 2971318	$ 2585655	$ 329344	$ 6371693	$ 7381013	$ 1445979

TABLE 12 (CONTINUED)

LICENSE TAXES					
ALCOHOLIC BEVERAGE	MOTOR VEHICLE	MOTOR FUEL TAXES	SEVERANCE TAXES	TRANSFER TAXES	TOTAL UNUTILIZED POTENTIAL
2233	50983	--	9292	9213	578849
879	22363	--	--	6589	461736
376	36997	--	--	9154	592478
2790	1144	--	4390	--	471179
992	12356	--	--	5019	312803
2614	20862	--	4549	13969	631300
198	24893	--	3154	790	313199
1892	--	--	8931	--	658189
445	2456	117604	--	33357	2134028
2003	--	--	16384	--	673512
--	--	--	46449	2996	316187
$ 2383	$ 51076	$ 62088	$ 95080	$ 30784	$ 1488756
100	10386	4494	35465	5974	191773
172	21861	24623	12988	7583	208887
--	--	3270	3433	2102	83985
--	4649	6827	4803	2089	109871
406	1098	--	5788	1260	105659
310	4673	--	--	2637	148716
626	--	19732	--	5199	477695
561	8410	3141	13691	2915	89891
209	--	--	18910	1025	72283
$ 1230	$ 121646	$ 152152	$ 66164	$ 88925	$ 2418585
--	--	--	--	1211	90792
--	104210	130113	61128	70379	1304729
616	632	1102	1078	1973	124893
615	--	20936	901	6359	315827
--	16805	--	3057	9003	582345
--	--	--	--	$ 658	$ 75150
$ 44066	$ 504870	$ 460009	$ 460885	$ 439059	$ 22993840

TABLE 13

GENERAL SALES AND GROSS RECEIPTS TAXES, COLLECTIONS AND ADDITIONAL REVENUE POSSIBLE BY COLLECTIONS OF UNUTILIZED POTENTIAL AMOUNTS, PER CAPITA AND PER $1000 OF PERSONAL INCOME, 1973

STATE AND REGION	PER CAPITA			PER $1000 OF PERSONAL INCOME		
	ACTUAL COLLECTIONS	UNUTILIZED POTENTIAL	AMOUNT POSSIBLE	ACTUAL COLLECTIONS	UNUTILIZED POTENTIAL	AMOUNT POSSIBLE
ALL STATES INCLUDING DISTRICT OF COLUMBIA	$109.56	$ 14.16	$123.72	$ 21.74	$ 2.81	$ 24.54
NEW ENGLAND STATES	77.06	45.64	122.70	14.78	8.76	23.54
MIDDLE ATLANTIC STATES	120.43	14.57	135.00	21.85	2.64	24.50
NORTH CENTRAL STATES	100.44	16.52	116.96	19.08	3.14	22.22
MOUNTAIN STATES	111.93	13.56	125.48	24.48	2.96	27.44
PACIFIC STATES	136.81	9.88	146.68	25.22	1.82	27.04
SREB STATES	104.99	7.60	112.59	23.77	1.72	25.50
ALABAMA	104.20	--	104.20	26.92	--	26.92
ARKANSAS	82.65	5.00	87.65	20.91	1.27	22.18
FLORIDA	135.62	--	135.62	27.55	--	27.55
GEORGIA	105.60	--	105.60	24.03	--	24.03
KENTUCKY	94.75	--	94.75	23.49	--	23.49
LOUISIANA	127.63	--	127.63	32.47	--	32.47
MARYLAND	80.02	41.71	121.73	14.58	7.60	22.18
MISSISSIPPI	139.30	--	139.30	39.17	--	39.17
NORTH CAROLINA	84.25	10.71	94.96	19.68	2.50	22.18
SOUTH CAROLINA	104.99	--	104.99	27.05	--	27.05
TENNESSEE	128.24	--	128.24	31.32	--	31.32
TEXAS	92.72	8.66	101.38	20.28	1.89	22.18
VIRGINIA	80.76	27.60	108.36	16.53	5.65	22.18
WEST VIRGINIA	136.89	--	136.89	34.55	--	34.55

ALL NOTES AND FOOTNOTES ARE ON PAGE

TABLE 14

SELECTIVE SALES AND GROSS RECEIPTS TAXES, COLLECTIONS AND ADDITIONAL REVENUE POSSIBLE BY COLLECTIONS OF UNUTILIZED POTENTIAL AMOUNTS, PER CAPITA AND PER $1000 OF PERSONAL INCOME, 1973

STATE AND REGION	PER CAPITA			PER $1000 OF PERSONAL INCOME		
	ACTUAL COLLECTIONS	UNUTILIZED POTENTIAL	AMOUNT POSSIBLE	ACTUAL COLLECTIONS	UNUTILIZED POTENTIAL	AMOUNT POSSIBLE
ALL STATES INCLUDING DISTRICT OF COLUMBIA	$ 57.80	$ 12.32	$ 70.12	$ 11.47	$ 2.44	$ 13.91
NEW ENGLAND STATES	60.60	14.26	74.85	11.63	2.74	14.36
MIDDLE ATLANTIC STATES	62.62	9.50	72.12	11.36	1.72	13.09
NORTH CENTRAL STATES	48.17	17.12	65.29	9.15	3.25	12.40
MOUNTAIN STATES	56.42	10.14	66.56	12.34	2.22	14.56
PACIFIC STATES	49.55	19.38	68.93	9.13	3.57	12.71
SREB STATES	66.86	6.53	73.38	15.14	1.48	16.62
ALABAMA	75.38	0.81	76.19	19.47	0.21	19.68
ARKANSAS	43.00	9.11	52.10	10.88	2.30	13.18
FLORIDA	92.95	2.81	95.76	18.88	0.57	19.45
GEORGIA	57.45	6.83	64.28	13.07	1.55	14.63
KENTUCKY	44.52	21.26	65.78	11.04	5.27	16.31
LOUISIANA	53.59	0.10	53.69	13.63	0.02	13.66
MARYLAND	59.13	17.87	77.01	10.77	3.26	14.03
MISSISSIPPI	39.34	6.91	46.25	11.06	1.94	13.00
NORTH CAROLINA	57.13	10.72	67.85	13.34	2.50	15.85
SOUTH CAROLINA	52.76	4.78	57.54	13.59	1.23	14.82
TENNESSEE	63.61	3.24	66.85	15.53	0.79	16.32
TEXAS	80.00	1.68	81.68	17.50	0.37	17.87
VIRGINIA	74.48	9.41	83.89	15.24	1.93	17.17
WEST VIRGINIA	63.05	11.82	74.87	15.92	2.98	18.90

ALL NOTES AND FOOTNOTES ARE ON PAGE 107

TABLE 15

GENERAL PROPERTY TAXES, COLLECTIONS AND ADDITIONAL REVENUE POSSIBLE BY COLLECTIONS OF UNUTILIZED POTENTIAL AMOUNTS, PER CAPITA AND PER $1000 OF PERSONAL INCOME, 1973

STATE AND REGION	PER CAPITA			PER $1000 OF PERSONAL INCOME		
	ACTUAL COLLECTIONS	UNUTILIZED POTENTIAL	AMOUNT POSSIBLE	ACTUAL COLLECTIONS	UNUTILIZED POTENTIAL	AMOUNT POSSIBLE
ALL STATES INCLUDING DISTRICT OF COLUMBIA	$215.81	$ 30.36	$246.17	$ 42.81	$ 6.02	$ 48.84
NEW ENGLAND STATES	322.87	--	322.87	61.95	--	61.95
MIDDLE ATLANTIC STATES	270.27	21.05	291.32	49.04	3.82	52.86
NORTH CENTRAL STATES	223.68	11.24	234.92	42.50	2.13	44.63
MOUNTAIN STATES	172.52	30.95	203.47	37.73	6.77	44.50
PACIFIC STATES	312.38	7.62	319.99	57.59	1.40	58.99
SREB STATES	119.83	69.22	189.06	27.14	15.68	42.81
ALABAMA	46.28	119.45	165.73	11.96	30.86	42.81
ARKANSAS	78.75	90.44	169.19	19.93	22.88	42.81
FLORIDA	143.22	67.55	210.76	29.09	13.72	42.81
GEORGIA	126.20	61.94	188.14	28.72	14.09	42.81
KENTUCKY	77.88	94.77	172.66	19.31	23.50	42.81
LOUISIANA	78.99	89.29	168.28	20.10	22.72	42.81
MARYLAND	196.23	38.75	234.98	35.75	7.06	42.81
MISSISSIPPI	84.79	67.47	152.25	23.84	18.97	42.81
NORTH CAROLINA	100.27	83.04	183.30	23.42	19.39	42.81
SOUTH CAROLINA	83.75	82.44	166.19	21.57	21.24	42.81
TENNESSEE	103.20	72.13	175.33	25.20	17.61	42.81
TEXAS	160.84	34.86	195.70	35.19	7.63	42.81
VIRGINIA	130.01	79.17	209.17	26.61	16.20	42.81
WEST VIRGINIA	83.34	86.26	169.60	21.04	21.77	42.81

ALL NOTES AND FOOTNOTES ARE ON PAGE 107

TABLE 16

INDIVIDUAL INCOME TAXES, COLLECTIONS AND ADDITIONAL REVENUE POSSIBLE BY COLLECTIONS OF UNUTILIZED POTENTIAL AMOUNTS, PER CAPITA AND PER $1000 OF PERSONAL INCOME, 1973

STATE AND REGION	PER CAPITA			PER $1000 OF PERSONAL INCOME		
	ACTUAL COLLECTIONS	UNUTILIZED POTENTIAL	AMOUNT POSSIBLE	ACTUAL COLLECTIONS	UNUTILIZED POTENTIAL	AMOUNT POSSIBLE
ALL STATES INCLUDING DISTRICT OF COLUMBIA	$ 85.63	$ 35.17	$120.81	$ 16.99	$ 6.98	$ 23.97
NEW ENGLAND STATES	89.17	39.	129.10	17.11	7.66	24.77
MIDDLE ATLANTIC STATES	149.08	22.52	171.60	27.05	4.09	31.14
NORTH CENTRAL STATES	89.78	28.02	117.80	17.06	5.32	22.38
MOUNTAIN STATES	56.91	38.80	95.71	12.44	8.48	20.93
PACIFIC STATES	86.27	30.91	117.18	15.91	5.70	21.60
SREB STATES	46.32	50.27	96.59	10.49	11.38	21.87
ALABAMA	44.06	36.47	80.53	11.38	9.42	20.80
ARKANSAS	43.86	38.35	82.21	11.10	9.70	20.80
FLORIDA	--	102.42	102.42	--	20.80	20.80
GEORGIA	59.53	31.89	91.42	13.55	7.26	20.80
KENTUCKY	73.49	10.40	83.90	18.22	2.58	20.80
LOUISIANA	29.07	52.70	81.77	7.40	13.41	20.80
MARYLAND	186.15	--	186.15	33.92	--	33.92
MISSISSIPPI	30.69	43.29	73.98	8.63	12.17	20.80
NORTH CAROLINA	81.78	7.29	89.07	19.10	1.70	20.80
SOUTH CAROLINA	67.21	13.54	80.76	17.32	3.49	20.80
TENNESSEE	3.66	81.53	85.20	0.89	19.91	20.80
TEXAS	--	95.10	95.10	--	20.80	20.80
VIRGINIA	91.87	9.77	101.64	18.80	2.00	20.80
WEST VIRGINIA	49.31	33.11	82.41	12.45	8.36	20.80

ALL NOTES AND FOOTNOTES ARE ON PAGE 107

TABLE 17

CORPORATE INCOME TAXES, COLLECTIONS AND ADDITIONAL REVENUE POSSIBLE BY COLLECTIONS OF UNUTILIZED POTENTIAL AMOUNTS, PER CAPITA AND PER $1000 OF PERSONAL INCOME, 1973

STATE AND REGION	PER CAPITA			PER $1000 OF PERSONAL INCOME		
	ACTUAL COLLECTIONS	UNUTILIZED POTENTIAL	AMOUNT POSSIBLE	ACTUAL COLLECTIONS	UNUTILIZED POTENTIAL	AMOUNT POSSIBLE
ALL STATES INCLUDING DISTRICT OF COLUMBIA	$ 25.96	$ 6.89	$ 32.88	$ 5.15	$ 1.37	$ 6.52
NEW ENGLAND STATES	38.35	1.43	39.77	7.36	0.27	7.63
MIDDLE ATLANTIC STATES	40.97	1.79	42.76	7.43	0.33	7.76
NORTH CENTRAL STATES	22.00	10.02	32.01	4.18	1.90	6.08
MOUNTAIN STATES	15.66	10.02	25.68	3.42	2.19	5.62
PACIFIC STATES	34.19	4.49	38.68	6.30	0.83	7.13
SREB STATES	16.27	8.69	24.96	3.68	1.97	5.65
ALABAMA	11.57	9.92	21.49	2.99	2.56	5.55
ARKANSAS	18.57	3.37	21.94	4.70	0.85	5.55
FLORIDA	19.24	8.09	27.33	3.91	1.64	5.55
GEORGIA	23.84	0.55	24.40	5.43	0.13	5.55
KENTUCKY	20.75	1.64	22.39	5.14	0.41	5.55
LOUISIANA	20.93	0.89	21.82	5.32	0.23	5.55
MARYLAND	19.66	10.81	30.47	3.58	1.97	5.55
MISSISSIPPI	11.44	8.31	19.74	3.22	2.34	5.55
NORTH CAROLINA	26.41	--	26.41	6.17	--	6.17
SOUTH CAROLINA	23.22	--	23.22	5.98	--	5.98
TENNESSEE	24.96	--	24.96	6.09	--	6.09
TEXAS	--	25.38	25.38	--	5.55	5.55
VIRGINIA	20.08	7.04	27.13	4.11	1.44	5.55
WEST VIRGINIA	6.78	15.21	21.99	1.71	3.84	5.55

ALL NOTES AND FOOTNOTES ARE ON PAGE 107

TABLE 18

STATE AND LOCAL TAX COLLECTIONS BY SOURCE AS PERCENTAGES OF TOTAL COLLECTIONS, FOR SREB STATES, REGIONS AND THE UNITED STATES, 1973

STATE AND REGION	GENERAL SALES AND GROSS RECEIPTS	SELECTIVE SALES AND GROSS RECEIPTS	GENERAL PROPERTY TAXES	INCOME TAXES		OTHER
				INDIVIDUAL	CORPORATE	
ALL STATES INCLUDING DISTRICT OF COLUMBIA	18.7%	9.9%	36.9%	14.6%	4.4%	15.5%
NEW ENGLAND STATES	11.5	9.1	48.2	13.3	5.7	12.1
MIDDLE ATLANTIC STATES	16.2	8.4	36.4	20.1	5.5	13.4
NORTH CENTRAL STATES	17.7	8.5	39.5	15.8	3.9	14.5
MOUNTAIN STATES	21.9	11.1	33.0	11.2	3.1	19.0
PACIFIC STATES	19.4	7.0	44.3	12.2	4.8	12.2
SREB STATES	23.3	14.8	26.6	10.3	3.6	21.4
ALABAMA	28.5	20.6	12.6	12.0	3.2	23.1
ARKANSAS	23.7	12.3	22.6	12.6	5.3	23.6
FLORIDA	26.7	18.3	28.2	--	3.8	22.9
GEORGIA	23.8	12.9	23.4	13.4	5.4	16.0
KENTUCKY	23.2	10.9	19.1	18.0	5.1	23.7
LOUISIANA	27.9	11.7	17.3	6.4	4.6	32.2
MARYLAND	12.7	9.4	31.1	29.5	3.1	14.3
MISSISSIPPI	35.7	10.1	21.7	7.9	2.9	21.8
NORTH CAROLINA	19.3	13.1	22.9	18.7	6.0	20.0
SOUTH CAROLINA	26.2	13.2	20.9	16.8	5.8	17.2
TENNESSEE	30.7	15.2	24.7	0.9	6.0	22.5
TEXAS	21.3	18.4	36.9	--	--	23.4
VIRGINIA	16.4	15.1	26.3	18.6	4.1	19.6
WEST VIRGINIA	32.2	14.8	19.6	11.6	1.6	20.2

ALL NOTES AND FOOTNOTES ARE ON PAGE 107

TABLE 19

TOTAL TAX REVENUES AS A PERCENT OF PERSONAL INCOME AND AS A PERCENT OF GENERAL REVENUES, AND FEDERAL AIDS AS A PERCENT OF GENERAL REVENUES, FOR STATES, REGIONS, AND THE UNITED STATES, 1973

STATE AND REGION	TAXES AS A PERCENT OF PERSONAL INCOME	TAXES AS A PERCENT OF GENERAL REVENUES FROM OWN SOURCE	FEDERAL AIDS AS A PERCENT OF GENERAL REVENUES	TAX BURDEN INDEX
NEW ENGLAND STATES	12.8	-	--	--
CONNECTICUT	12.2	86.5	15.3	34
MAINE	12.6	84.9	23.7	2
MASSACHUSETTS	13.6	86.6	18.3	11
NEW HAMPSHIRE	9.7	80.8	21.0	36
RHODE ISLAND	11.2	83.7	26.4	22
VERMONT	15.3	81.4	25.9	1
MIDDLE ATLANTIC STATES	13.4	--	--	--
DELAWARE	10.1	75.6	20.5	48
NEW JERSEY	10.8	83.2	15.7	43
NEW YORK	15.7	83.2	20.2	8
PENNSYLVANIA	11.6	85.1	18.1	20
NORTH CENTRAL STATES	10.6	--	--	--
ILLINOIS	10.6	85.5	20.4	45
INDIANA	9.4	78.2	14.8	42
IOWA	10.0	79.4	16.3	41
KANSAS	9.7	78.4	18.7	46
MICHIGAN	11.4	79.4	19.7	35
MINNESOTA	12.6	78.1	18.2	14
MISSOURI	9.8	82.0	19.7	38
NEBRASKA	9.5	75.9	17.7	47
NORTH DAKOTA	8.2	68.9	24.7	50
OHIO	9.4	77.8	16.0	44
SOUTH DAKOTA	10.5	77.1	26.3	27
WISCONSIN	14.0	81.8	16.3	5
SREB STATES	9.9	--	--	--
ALABAMA	9.1	70.8	25.7	18
ARKANSAS	8.7	74.5	27.8	28
FLORIDA	10.0	77.5	15.6	37

ALL NOTES AND FOOTNOTES ARE ON PAGE 108

TABLE 19 (CONTINUED)

STATE AND REGION	TAXES AS A PERCENT OF PERSONAL INCOME	TAXES AS A PERCENT OF GENERAL REVENUES FROM OWN SOURCE	FEDERAL AIDS AS A PERCENT OF GENERAL REVENUES	TAX BURDEN INDEX
SREB STATES (CONTINUED)				
GEORGIA	9.9	74.0	23.9	26
KENTUCKY	10.0	76.8	26.5	13
LOUISIANA	11.4	72.2	22.6	6
MARYLAND	11.5	80.0	19.5	32
MISSISSIPPI	10.7	73.7	27.7	3
NORTH CAROLINA	9.9	80.8	23.1	21
SOUTH CAROLINA	10.1	75.9	24.5	10
TENNESSEE	9.8	75.0	24.8	19
TEXAS	9.2	75.4	20.5	40
VIRGINIA	9.8	80.1	20.7	39
WEST VIRGINIA	10.5	79.5	32.4	9
MOUNTAIN STATES	10.8	--	--	--
ARIZONA	11.9	79.9	18.8	12
COLORADO	10.8	75.8	21.9	30
IDAHO	10.1	77.5	25.5	23
MONTANA	11.3	79.0	29.4	17
NEVADA	12.0	74.8	18.6	33
NEW MEXICO	11.4	70.8	31.9	4
OKLAHOMA	9.1	71.5	26.0	31
UTAH	11.5	77.1	27.8	7
WYOMING	11.4	68.5	28.4	15
PACIFIC STATES	12.8	--	--	--
ALASKA	8.3	48.7	37.9	51
CALIFORNIA	13.4	82.5	21.5	16
HAWAII	12.4	77.5	23.6	25
OREGON	11.0	75.6	25.7	24
WASHINGTON	11.2	73.5	23.0	29
DISTRICT OF COLUMBIA	10.5	81.8	50.8	49
ALL STATES INCLUDING DISTRICT OF COLUMBIA	11.4	--	--	--

TABLE 20

UTILIZATION OF STATE AND LOCAL TAX POTENTIAL,
SREB STATES, 1973

TYPE OF TAX	AMOUNT COLLECTED ABOVE YIELD COLLECTIBLE AT AVERAGE RATE	AMOUNT COLLECTED BELOW YIELD COLLECTIBLE AT AVERAGE RATE	NET AMOUNT COLLECTED ABOVE YIELD COLLECTIBLE AT AVERAGE RATE
GENERAL SALES AND GROSS RECEIPTS	$ 908370000	$ 471362000	$ 437008000
SELECTIVE SALES AND GROSS RECEIPTS			
ALCOHOLIC BEVERAGES	303014000	60106000	242908000
TOBACCO PRODUCTS	200047000	170207000	29840000
INSURANCE	68727000	7143000	61584000
PUBLIC UTILITIES	487822000	102047000	385775000
OTHER	313020000	65312000	247708000
STATE DEATH AND GIFT	13840000	159567000	-145726000
GENERAL PROPERTY		4293324000	-4293323000
INDIVIDUAL INCOME	292907000	3117795000	-2824887000
CORPORATE INCOME	27609000	539061000	-511451000
STATE ALCOHOLIC BEVERAGE LICENSE	6057000	14837000	-8779000
MOTOR VEHICLE LICENSE	58763000	203115000	-144352000
MOTOR FUELS	284139000	117604000	166534000
SEVERANCE	202978000	113485000	89493000
TRANSFER	114365000	88909000	25456000
TOTALS	$ 3281655000	$ 9523870000	
NET UNUTILIZED POTENTIAL (EXCESS OF "BELOW AVERAGE" YIELDS OVER "ABOVE AVERAGE" YIELDS)		+$ 6242215000	

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TABLE 21

UTILIZATION OF STATE AND LOCAL TAX POTENTIAL,
ALABAMA, 1973

TYPE OF TAX	AMOUNT COLLECTED ABOVE YIELD COLLECTIBLE AT AVERAGE RATE	AMOUNT COLLECTED BELOW YIELD COLLECTIBLE AT AVERAGE RATE
GENERAL SALES AND GROSS RECEIPTS	$ 64910000	$
SELECTIVE SALES AND GROSS RECEIPTS		
ALCOHOLIC BEVERAGES	45396000	
TOBACCO PRODUCTS	6039000	
INSURANCE	8787000	
PUBLIC UTILITIES	50409000	
OTHER		2866000
STATE DEATH AND GIFT		16035000
GENERAL PROPERTY		422726000
INDIVIDUAL INCOME		129075000
CORPORATE INCOME		35121000
STATE ALCOHOLIC BEVERAGE LICENSE	338000	
MOTOR VEHICLE LICENSE		31062000
MOTOR FUELS	9445000	
SEVERANCE		6489000
TRANSFER		4260000
TOTALS	$ 185323000	$ 647633000
NET UNUTILIZED POTENTIAL (EXCESS OF "BELOW AVERAGE" YIELDS OVER "ABOVE AVERAGE" YIELDS)	+$ 462310000	

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TABLE 22

UTILIZATION OF STATE AND LOCAL TAX POTENTIAL,
ARKANSAS, 1973

TYPE OF TAX	AMOUNT COLLECTED ABOVE YIELD COLLECTIBLE AT AVERAGE RATE	AMOUNT COLLECTED BELOW YIELD COLLECTIBLE AT AVERAGE RATE
GENERAL SALES AND GROSS RECEIPTS	$	$ 10190000
SELECTIVE SALES AND GROSS RECEIPTS		
ALCOHOLIC BEVERAGES		2248000
TOBACCO PRODUCTS	12711000	
INSURANCE		70000
PUBLIC UTILITIES		7446000
OTHER		8785000
STATE DEATH AND GIFT		9676000
GENERAL PROPERTY		184223000
INDIVIDUAL INCOME		78124000
CORPORATE INCOME		6867000
STATE ALCOHOLIC BEVERAGE LICENSE		416000
MOTOR VEHICLE LICENSE	845000	
MOTOR FUELS	23303000	
SEVERANCE		3027000
TRANSFER		3560000
TOTALS	$ 36858000	$ 314633000
NET UNUTILIZED POTENTIAL (EXCESS OF "BELOW AVERAGE" YIELDS OVER "ABOVE AVERAGE" YIELDS)	+$ 277774000	

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TABLE 23

UTILIZATION OF STATE AND LOCAL TAX POTENTIAL,
FLORIDA,1973

TYPE OF TAX	AMOUNT COLLECTED ABOVE YIELD COLLECTIBLE AT AVERAGE RATE	AMOUNT COLLECTED BELOW YIELD COLLECTIBLE AT AVERAGE RATE
GENERAL SALES AND GROSS RECEIPTS	$ 202909000	$
SELECTIVE SALES AND GROSS RECEIPTS		
ALCOHOLIC BEVERAGES	73442000	
TOBACCO PRODUCTS	91475000	
INSURANCE		7072000
PUBLIC UTILITIES	131683000	
OTHER		14525000
STATE DEATH AND GIFT		18602000
GENERAL PROPERTY		518640000
INDIVIDUAL INCOME		786347000
CORPORATE INCOME		62146000
STATE ALCOHOLIC BEVERAGE LICENSE	5632000	
MOTOR VEHICLE LICENSE	23336000	
MOTOR FUELS	13968000	
SEVERANCE		10821000
TRANSFER	108638000	
TOTALS	$ 651081000	$ 1418151000
NET UNUTILIZED POTENTIAL (EXCESS OF "BELOW AVERAGE" YIELDS OVER "ABOVE AVERAGE" YIELDS)	+$ 767070000	

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TABLE 24

UTILIZATION OF STATE AND LOCAL TAX POTENTIAL,
GEORGIA, 1973

TYPE OF TAX	AMOUNT COLLECTED ABOVE YIELD COLLECTIBLE AT AVERAGE RATE	AMOUNT COLLECTED BELOW YIELD COLLECTIBLE AT AVERAGE RATE
GENERAL SALES AND GROSS RECEIPTS	$ 38917000	$
SELECTIVE SALES AND GROSS RECEIPTS		
ALCOHOLIC BEVERAGES	54195000	
TOBACCO PRODUCTS	1567000	
INSURANCE	7812000	
PUBLIC UTILITIES		14372000
OTHER		18332000
STATE DEATH AND GIFT		22713000
GENERAL PROPERTY		296431000
INDIVIDUAL INCOME		152628000
CORPORATE INCOME		2652000
STATE ALCOHOLIC BEVERAGE LICENSE		2233000
MOTOR VEHICLE LICENSE		50983000
MOTOR FUELS	21112000	
SEVERANCE		9292000
TRANSFER		9213000
TOTALS	$ 123604000	$ 578849000
NET UNUTILIZED POTENTIAL (EXCESS OF "BELOW AVERAGE" YIELDS OVER "ABOVE AVERAGE" YIELDS)	+$ 455246000	

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TABLE 25

UTILIZATION OF STATE AND LOCAL TAX POTENTIAL,
KENTUCKY, 1973

TYPE OF TAX	AMOUNT COLLECTED ABOVE YIELD COLLECTIBLE AT AVERAGE RATE	AMOUNT COLLECTED BELOW YIELD COLLECTIBLE AT AVERAGE RATE
GENERAL SALES AND GROSS RECEIPTS	$ 17721000	$
SELECTIVE SALES AND GROSS RECEIPTS		
ALCOHOLIC BEVERAGES		14894000
TOBACCO PRODUCTS		23024000
INSURANCE	20438000	
PUBLIC UTILITIES		33134000
OTHER	42988000	
STATE DEATH AND GIFT		3857000
GENERAL PROPERTY		316734000
INDIVIDUAL INCOME		34772000
CORPORATE INCOME		5490000
STATE ALCOHOLIC BEVERAGE LICENSE		879000
MOTOR VEHICLE LICENSE		22363000
MOTOR FUELS	32398000	
SEVERANCE	5574000	
TRANSFER		6589000
TOTALS	$ 119120000	$ 461736000
NET UNUTILIZED POTENTIAL (EXCESS OF "BELOW AVERAGE" YIELDS OVER "ABOVE AVERAGE" YIELDS)	+$ 342617000	

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TABLE 26

UTILIZATION OF STATE AND LOCAL TAX POTENTIAL,
LOUISIANA,1973

TYPE OF TAX	AMOUNT COLLECTED ABOVE YIELD COLLECTIBLE AT AVERAGE RATE	AMOUNT COLLECTED BELOW YIELD COLLECTIBLE AT AVERAGE RATE
GENERAL SALES AND GROSS RECEIPTS	$ 152278000	$
SELECTIVE SALES AND GROSS RECEIPTS		
ALCOHOLIC BEVERAGES	12302000	
TOBACCO PRODUCTS	3977000	
INSURANCE	4587000	
PUBLIC UTILITIES	9508000	
OTHER		369000
STATE DEATH AND GIFT		7782000
GENERAL PROPERTY		336073000
INDIVIDUAL INCOME		198369000
CORPORATE INCOME		3359000
STATE ALCOHOLIC BEVERAGE LICENSE		376000
MOTOR VEHICLE LICENSE		36997000
MOTOR FUELS	11972000	
SEVERANCE	89781000	
TRANSFER		9154000
TOTALS	$ 284406000	$ 592478000
NET UNUTILIZED POTENTIAL (EXCESS OF "BELOW AVERAGE" YIELDS OVER "ABOVE AVERAGE" YIELDS)	+$ 308072000	

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TABLE 27

UTILIZATION OF STATE AND LOCAL TAX POTENTIAL,
MARYLAND, 1973

TYPE OF TAX	AMOUNT COLLECTED ABOVE YIELD COLLECTIBLE AT AVERAGE RATE	AMOUNT COLLECTED BELOW YIELD COLLECTIBLE AT AVERAGE RATE
GENERAL SALES AND GROSS RECEIPTS	$	$ 169777000
SELECTIVE SALES AND GROSS RECEIPTS		
ALCOHOLIC BEVERAGES		23200000
TOBACCO PRODUCTS		37728000
INSURANCE	138000	
PUBLIC UTILITIES		11811000
OTHER	54020000	
STATE DEATH AND GIFT		18628000
GENERAL PROPERTY		157722000
INDIVIDUAL INCOME	292906000	
CORPORATE INCOME		43988000
STATE ALCOHOLIC BEVERAGE LICENSE		2790000
MOTOR VEHICLE LICENSE		1144000
MOTOR FUELS	23455000	
SEVERANCE		4390000
TRANSFER	1352000	
TOTALS	$ 371871000	$ 471179000
NET UNUTILIZED POTENTIAL (EXCESS OF "BELOW AVERAGE" YIELDS OVER "ABOVE AVERAGE" YIELDS)	+$ 99309000	

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TABLE 28

UTILIZATION OF STATE AND LOCAL TAX POTENTIAL,
MISSISSIPPI,1973

TYPE OF TAX	AMOUNT COLLECTED ABOVE YIELD COLLECTIBLE AT AVERAGE RATE	AMOUNT COLLECTED BELOW YIELD COLLECTIBLE AT AVERAGE RATE
GENERAL SALES AND GROSS RECEIPTS	$ 137819000	$
SELECTIVE SALES AND GROSS RECEIPTS		
ALCOHOLIC BEVERAGES	5372000	
TOBACCO PRODUCTS		1890000
INSURANCE	5318000	
PUBLIC UTILITIES		13875000
OTHER	659000	
STATE DEATH AND GIFT		7074000
GENERAL PROPERTY		153896000
INDIVIDUAL INCOME		98753000
CORPORATE INCOME		18949000
STATE ALCOHOLIC BEVERAGE LICENSE		99[illegible]0
MOTOR VEHICLE LICENSE		12356000
MOTOR FUELS	29083000	
SEVERANCE	4611000	
TRANSFER		5019000
TOTALS	$ 182862000	$ 312803000
NET UNUTILIZED POTENTIAL (EXCESS OF "BELOW AVERAGE" YIELDS OVER "ABOVE AVERAGE" YIELDS)	+$ 129941000	

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TABLE 29

UTILIZATION OF STATE AND LOCAL TAX POTENTIAL,
NORTH CAROLINA, 1973

TYPE OF TAX	AMOUNT COLLECTED ABOVE YIELD COLLECTIBLE AT AVERAGE RATE	AMOUNT COLLECTED BELOW YIELD COLLECTIBLE AT AVERAGE RATE
GENERAL SALES AND GROSS RECEIPTS	$	$ 56480000
SELECTIVE SALES AND GROSS RECEIPTS		
ALCOHOLIC BEVERAGES	26392000	
TOBACCO PRODUCTS		49917000
INSURANCE	5893000	
PUBLIC UTILITIES	63469000	
OTHER		6609000
STATE DEATH AND GIFT	5046000	
GENERAL PROPERTY		437844000
INDIVIDUAL INCOME		38456000
CORPORATE INCOME	13895000	
STATE ALCOHOLIC BEVERAGE LICENSE		2614000
MOTOR VEHICLE LICENSE		20862000
MOTOR FUELS	38972000	
SEVERANCE		4549000
TRANSFER		13969000
TOTALS	$ 153668000	$ 631300000
NET UNUTILIZED POTENTIAL (EXCESS OF "BELOW AVERAGE" YIELDS OVER "ABOVE AVERAGE" YIELDS)	+$ 477632000	

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TABLE 30

UTILIZATION OF STATE AND LOCAL TAX POTENTIAL,
SOUTH CAROLINA,1973

TYPE OF TAX	AMOUNT COLLECTED ABOVE YIELD COLLECTIBLE AT AVERAGE RATE	AMOUNT COLLECTED BELOW YIELD COLLECTIBLE AT AVERAGE RATE
GENERAL SALES AND GROSS RECEIPTS	$ 51492000	$
SELECTIVE SALES AND GROSS RECEIPTS		
ALCOHOLIC BEVERAGES	30892000	
TOBACCO PRODUCTS		12363000
INSURANCE	3159000	
PUBLIC UTILITIES		201000
OTHER		466000
STATE DEATH AND GIFT		9484000
GENERAL PROPERTY		224738000
INDIVIDUAL INCOME		36913000
CORPORATE INCOME	4549000	
STATE ALCOHOLIC BEVERAGE LICENSE		198000
MOTOR VEHICLE LICENSE		24893000
MOTOR FUELS	16232000	
SEVERANCE		3154000
TRANSFER		790000
TOTALS	$ 106320000	$ 313199000
NET UNUTILIZED POTENTIAL (EXCESS OF "BELOW AVERAGE" YIELDS OVER "ABOVE AVERAGE" YIELDS)	+$ 206879000	

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TABLE 31

UTILIZATION OF STATE AND LOCAL TAX POTENTIAL,
TENNESSEE, 1973

TYPE OF TAX	AMOUNT COLLECTED ABOVE YIELD COLLECTIBLE AT AVERAGE RATE	AMOUNT COLLECTED BELOW YIELD COLLECTIBLE AT AVERAGE RATE
GENERAL SALES AND GROSS RECEIPTS	$ 154376000	$
SELECTIVE SALES AND GROSS RECEIPTS		
ALCOHOLIC BEVERAGES	16734000	
TOBACCO PRODUCTS	6405000	
INSURANCE	4072000	
PUBLIC UTILITIES	52520000	
OTHER		13361000
STATE DEATH AND GIFT	8794000	
GENERAL PROPERTY		297594000
INDIVIDUAL INCOME		336412000
CORPORATE INCOME	9168000	
STATE ALCOHOLIC BEVERAGE LICENSE		1892000
MOTOR VEHICLE LICENSE	13563000	
MOTOR FUELS	7090000	
SEVERANCE		8931000
TRANSFER	549000	
TOTALS	$ 273271000	$ 658189000
NET UNUTILIZED POTENTIAL (EXCESS OF "BELOW AVERAGE" YIELDS OVER "ABOVE AVERAGE" YIELDS)	+$ 384918000	

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TABLE 32

UTILIZATION OF STATE AND LOCAL TAX POTENTIAL,
TEXAS, 1973

TYPE OF TAX	AMOUNT COLLECTED ABOVE YIELD COLLECTIBLE AT AVERAGE RATE	AMOUNT COLLECTED BELOW YIELD COLLECTIBLE AT AVERAGE RATE
GENERAL SALES AND GROSS RECEIPTS	$	$ 102131000
SELECTIVE SALES AND GROSS RECEIPTS		
ALCOHOLIC BEVERAGES		19764000
TOBACCO PRODUCTS	76105000	
INSURANCE	1489000	
PUBLIC UTILITIES	99474000	
OTHER	160570000	
STATE DEATH AND GIFT		26324000
GENERAL PROPERTY		411086000
INDIVIDUAL INCOME		1121552000
CORPORATE INCOME		299311000
STATE ALCOHOLIC BEVERAGE LICENSE		445000
MOTOR VEHICLE LICENSE		2456000
MOTOR FUELS		117604000
SEVERANCE	103011000	
TRANSFER		33357000
TOTALS	$ 440650000	$ 2134028000

NET UNUTILIZED POTENTIAL (EXCESS OF "BELOW AVERAGE" YIELDS OVER "ABOVE AVERAGE" YIELDS) +$ 1693378000

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TABLE 33

UTILIZATION OF STATE AND LOCAL TAX POTENTIAL,
VIRGINIA, 1973

TYPE OF TAX	AMOUNT COLLECTED ABOVE YIELD COLLECTIBLE AT AVERAGE RATE	AMOUNT COLLECTED BELOW YIELD COLLECTIBLE AT AVERAGE RATE
GENERAL SALES AND GROSS RECEIPTS	$	$ 132784000
SELECTIVE SALES AND GROSS RECEIPTS		
ALCOHOLIC BEVERAGES	17928000	
TOBACCO PRODUCTS		45285000
INSURANCE	3810000	
PUBLIC UTILITIES	80759000	
OTHER	28293000	
STATE DEATH AND GIFT		15299000
GENERAL PROPERTY		380869000
INDIVIDUAL INCOME		47004000
CORPORATE INCOME		33884000
STATE ALCOHOLIC BEVERAGE LICENSE		2003000
MOTOR VEHICLE LICENSE	16044000	
MOTOR FUELS	48020000	
SEVERANCE		16384000
TRANSFER	3826000	
TOTALS	$ 198681000	$ 673512000
NET UNUTILIZED POTENTIAL (EXCESS OF "BELOW AVERAGE" YIELDS OVER "ABOVE AVERAGE" YIELDS)		+$ 474831000

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TABLE 34

UTILIZATION OF STATE AND LOCAL TAX POTENTIAL,
WEST VIRGINIA, 1973

TYPE OF TAX	AMOUNT COLLECTED ABOVE YIELD COLLECTIBLE AT AVERAGE RATE	AMOUNT COLLECTED BELOW YIELD COLLECTIBLE AT AVERAGE RATE
GENERAL SALES AND GROSS RECEIPTS	$ 87946000	$
SELECTIVE SALES AND GROSS RECEIPTS		
ALCOHOLIC BEVERAGES	20360000	
TOBACCO PRODUCTS	1768000	
INSURANCE	3222000	
PUBLIC UTILITIES		21208000
OTHER	26490000	
STATE DEATH AND GIFT		4093000
GENERAL PROPERTY		154755000
INDIVIDUAL INCOME		59392000
CORPORATE INCOME		27294000
STATE ALCOHOLIC BEVERAGE LICENSE	87000	
MOTOR VEHICLE LICENSE	4975000	
MOTOR FUELS	9090000	
SEVERANCE		46449000
TRANSFER		2996000
TOTALS	$ 153941000	$ 316187000
NET UNUTILIZED POTENTIAL (EXCESS OF "BELOW AVERAGE" YIELDS OVER "ABOVE AVERAGE" YIELDS)	+$ 162246000	

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TABLE 35

FEDERAL INCOME TAX RETURNS, PERCENTAGES OF TOTAL NUMBER, BY ADJUSTED GROSS INCOME CLASS, FOR STATES, REGIONS, AND THE UNITED STATES, 1971

STATE AND REGION	UNDER $5,000	$5,000-9,999	$10,000-19,999	$20,000-49,999	$50,000 OR MORE	NUMBER OF RETURNS
NEW ENGLAND STATES	37.0	26.8	29.3	6.1	0.8	4591556
CONNECTICUT	32.1	25.3	33.0	8.4	1.2	1182196
MAINE	44.3	31.6	20.8	2.8	0.4	359178
MASSACHUSETTS	37.6	26.3	29.4	6.0	0.7	2277152
NEW HAMPSHIRE	38.6	28.0	28.8	3.8	0.7	281494
RHODE ISLAND	38.9	28.1	27.6	4.8	0.6	342908
VERMONT	40.8	28.6	25.6	4.4	0.5	148628
MIDDLE ATLANTIC STATES	32.9	29.4	29.8	7.0	0.9	14329300
DELAWARE	35.4	24.2	32.1	7.5	0.8	217352
NEW JERSEY	32.8	26.2	31.7	8.4	0.9	2837104
NEW YORK	32.1	29.5	29.6	7.8	1.0	6924945
PENNSYLVANIA	34.1	31.6	28.9	4.8	0.6	4349899
NORTH CENTRAL STATES	34.9	28.2	30.5	5.7	0.6	20702688
ILLINOIS	32.9	26.7	32.5	7.2	0.8	4294442
INDIANA	32.9	31.1	30.7	4.8	0.5	1886073
IOWA	40.3	29.1	26.2	3.9	0.4	1025399
KANSAS	37.6	31.8	25.1	4.9	0.6	803576
MICHIGAN	31.3	26.6	34.3	7.2	0.7	3143134
MINNESOTA	39.8	26.1	28.5	5.0	0.5	1385418
MISSOURI	37.4	29.1	28.0	4.9	0.6	1671042
NEBRASKA	44.1	27.5	23.7	4.2	0.5	552083
NORTH DAKOTA	46.7	29.1	20.7	3.2	0.3	212780
OHIO	32.8	29.3	32.0	5.4	0.6	3843025
SOUTH DAKOTA	49.2	29.7	18.1	2.8	0.2	225836
WISCONSIN	37.2	28.3	29.6	4.4	0.5	1659912
SREB STATES	39.8	30.0	24.6	5.0	0.6	20094208
ALABAMA	40.4	31.0	24.2	3.9	0.5	1051417
ARKANSAS	47.6	29.8	19.4	2.9	0.4	616877
FLORIDA	37.9	31.8	24.1	5.4	0.9	2542511

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TABLE 35(CONTINUED)

STATE AND REGION	UNDER $5,000	$5,000-9,999	$10,000-19,999	$20,000-49,999	$50,000 OR MORE	NUMBER OF RETURNS
SREB STATES (CONTINUED)						
GEORGIA	39.1	30.1	25.3	4.9	0.6	1541677
KENTUCKY	43.5	29.0	23.5	3.5	0.5	1048522
LOUISIANA	39.5	30.2	25.4	4.3	0.6	1088764
MARYLAND	32.0	27.1	30.6	9.6	0.7	1511663
MISSISSIPPI	44.7	29.6	22.1	3.1	0.5	559836
NORTH CAROLINA	42.1	30.4	23.2	3.7	0.5	1765924
SOUTH CAROLINA	42.1	31.9	22.6	3.0	0.4	884548
TENNESSEE	41.7	31.2	22.6	3.9	0.6	1375724
TEXAS	40.7	28.8	24.6	5.1	0.7	3854478
VIRGINIA	37.8	28.0	26.3	7.4	0.5	1692430
WEST VIRGINIA	34.6	36.8	24.8	3.3	0.4	559868
MOUNTAIN STATES	39.9	28.6	26.0	5.1	0.4	3983343
ARIZONA	34.6	32.1	27.1	5.5	0.6	684307
COLORADO	38.8	26.1	28.5	6.0	0.6	864608
IDAHO	40.7	30.6	24.6	3.8	0.4	253096
MONTANA	44.1	28.9	22.7	4.0	0.3	241612
NEVADA	39.0	25.1	29.1	6.1	0.7	231522
NEW MEXICO	46.6	26.1	21.9	5.0	0.4	338936
OKLAHOMA	40.9	30.8	23.7	4.6	0.1	872573
UTAH	41.1	25.5	28.5	4.6	0.4	370130
WYOMING	39.0	30.3	26.1	4.2	0.5	126559
PACIFIC STATES	34.9	27.6	29.7	7.2	0.6	10093348
ALASKA	37.2	17.9	29.5	14.7	0.6	105057
CALIFORNIA	34.5	27.6	29.8	7.5	0.7	7628899
HAWAII	34.8	26.5	29.0	9.1	0.7	308814
OREGON	38.8	27.5	28.5	4.7	0.5	816348
WASHINGTON	34.7	28.2	30.6	5.9	0.5	1232230
DISTRICT OF COLUMBIA	44.1	26.8	20.1	8.2	0.8	311838
ALL STATES INCLUDING DISTRICT OF COLUMBIA	36.3	28.8	28.3	5.9	0.7	74105968

TABLE 36

STATE AND LOCAL TAX CAPACITY AND CAPACITY UTILIZATION, PER CAPITA AND PER $1000 OF PERSONAL INCOME, FOR STATES, REGIONS, AND THE UNITED STATES, 1973

STATE AND REGION	ACTUAL COLLECTIONS (1,000)	NET UNUTILIZED CAPACITY (1,000)	TAX CAPACITY (COLS. 1+2) (1,000)
NEW ENGLAND STATES	$ 8132614	$ -644247	$ 7488366
CONNECTICUT	2243279	-109761	2133516
MAINE	531548	-18886	512661
MASSACHUSETTS	4153397	-569334	3584062
NEW HAMPSHIRE	382668	75553	458221
RHODE ISLAND	532046	33176	565222
VERMONT	289676	-54995	234680
MIDDLE ATLANTIC STATES	$ 28298256	$-3258716	$ 25039536
DELAWARE	342838	117491	460329
NEW JERSEY	4658565	467351	5125916
NEW YORK	16321882	-4339215	11982666
PENNSYLVANIA	6974978	495657	7470634
NORTH CENTRAL STATES	$ 32627200	$ 3526727	$ 36153920
ILLINOIS	6913403	620986	7534388
INDIANA	2524276	576452	3100728
IOWA	1583269	241596	1824865
KANSAS	1202840	283221	1486060
MICHIGAN	5839249	195124	6034373
MINNESOTA	2560656	-156631	2404024
MISSOURI	2278719	486201	2764920
NEBRASKA	798225	196670	994895
NORTH DAKOTA	301416	141239	442655
OHIO	5228075	1371896	6599971
SOUTH DAKOTA	343297	52436	395733
WISCONSIN	3053802	-482460	2571341
SREB STATES	$ 27965744	$ 6242215	$ 34207952
ALABAMA	1295463	462310	1757772
ARKANSAS	711233	277774	989007
FLORIDA	3896091	767070	4663160

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TABLE 36 (CONTINUED)

PERCENT OF CAPACITY UNUTILIZED	TAXES PER CAPITA		TAXES PER $1,000 OF PERSONAL INCOME	
	CAPACITY	UTILIZED	CAPACITY	UTILIZED
--	$ 616.33	$ 669.35	$ 118.25	$ 128.42
--	693.60	729.28	116.81	122.82
--	498.70	517.07	122.18	126.68
--	616.03	713.89	117.28	135.91
16.5	579.29	483.78	123.41	103.06
5.9	580.91	546.81	120.00	112.96
--	505.78	624.30	124.76	154.00
--	$ 657.14	$ 742.66	$ 119.25	$ 134.77
25.5	799.18	595.20	138.32	103.02
9.1	696.36	632.87	119.14	108.27
--	656.05	893.61	115.00	156.64
6.6	627.68	586.03	125.71	117.37
9.8	$ 627.67	$ 566.44	$ 119.25	$ 107.62
8.2	670.56	615.29	116.21	106.63
18.6	583.28	474.84	116.96	95.22
13.2	628.40	545.20	119.16	103.39
19.1	652.07	527.79	122.94	99.51
3.2	667.22	645.65	120.20	116.32
--	616.89	657.08	120.09	127.91
17.6	581.23	479.02	120.05	98.94
19.8	645.20	517.66	122.42	98.22
31.9	691.65	470.96	121.44	82.69
20.8	615.04	487.19	121.16	95.97
13.3	577.71	501.16	122.56	106.32
--	562.78	668.37	118.48	140.71
18.2	$ 551.55	$ 450.91	$ 124.90	$ 102.11
26.3	496.69	366.05	128.30	94.56
28.1	485.52	349.16	122.86	88.35
16.4	607.34	507.44	123.37	103.07

TABLE 36 (CONTINUED)

STATE AND REGION	ACTUAL COLLECTIONS (1,000)	NET UNUTILIZED CAPACITY (1,000)	TAX CAPACITY (COLS. 1+2) (1,000)
SREB STATES (CONTINUED)			
GEORGIA	2123846	455246	2579091
KENTUCKY	1363336	342617	1705952
LOUISIANA	1722127	308072	2030199
MARYLAND	2569603	99309	2668911
MISSISSIPPI	891080	129941	1021021
NORTH CAROLINA	2304774	477632	2782406
SOUTH CAROLINA	1092483	206879	1299362
TENNESSEE	1722158	384918	2107075
TEXAS	5134643	1693378	6828021
VIRGINIA	2375545	474831	2850376
WEST VIRGINIA	763382	162246	925628
MOUNTAIN STATES	$ 6028749	$ 880847	$ 6909595
ARIZONA	1195358	21979	1217336
COLORADO	1369006	152505	1521511
IDAHO	356703	76307	433010
MONTANA	391561	45046	436607
NEVADA	380871	41321	422192
NEW MEXICO	493471	76444	569915
OKLAHOMA	1087453	389123	1476575
UTAH	561723	36805	598528
WYOMING	192603	41317	233920
PACIFIC STATES	$ 19335888	$-1376873	$ 17959008
ALASKA	166143	81455	247598
CALIFORNIA	15306404	-1613467	13692936
HAWAII	574720	-36795	537924
OREGON	1232599	95871	1328470
WASHINGTON	2056037	96064	2152101
DISTRICT OF COLUMBIA	$ 501303	$ 24547	$ 525850
ALL STATES INCLUDING DISTRICT OF COLUMBIA	$ 122889248	$ 5394496	$ 128283744

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TABLE 36 (CONTINUED)

PERCENT OF CAPACITY UNUTILIZED	TAXES PER CAPITA		TAXES PER $1,000 OF PERSONAL INCOME	
	CAPACITY	UTILIZED	CAPACITY	UTILIZED
17.7	538.88	443.76	122.63	100.98
20.1	510.46	407.94	126.57	101.15
15.2	539.37	457.53	137.22	116.40
3.7	655.75	631.35	119.47	115.03
12.7	447.62	390.65	125.87	109.85
17.2	527.67	437.09	123.24	102.09
15.9	476.66	400.76	122.79	103.24
18.3	510.68	417.39	124.70	101.92
24.8	578.94	435.36	126.65	95.24
16.7	592.47	493.77	121.26	101.06
17.5	515.96	425.52	130.24	107.41
12.7	$ 584.91	$ 510.35	$ 127.91	$ 111.60
1.8	591.51	580.83	126.08	123.81
10.0	624.34	561.76	124.15	111.71
17.6	562.35	463.25	127.43	104.97
10.3	605.56	543.08	129.33	115.98
9.8	770.42	695.02	134.11	120.99
13.4	515.29	446.18	133.72	115.78
26.4	554.48	408.36	127.75	94.09
6.1	517.31	485.50	127.05	119.24
17.7	662.66	545.62	141.17	116.24
--	$ 655.03	$ 705.25	$ 120.76	$ 130.02
32.9	750.30	503.46	126.45	84.85
--	664.67	742.99	120.38	134.57
--	646.54	690.77	117.40	125.43
7.2	597.06	553.98	123.54	114.63
4.5	627.62	599.60	121.77	116.33
4.7	$ 704.89	$ 671.99	$ 111.22	$ 106.03
4.2	$ 611.31	$ 585.60	$ 121.27	$ 116.17

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TABLE 37

TOTAL TAX COLLECTIONS, STATE AND LOCAL GOVERNMENTS
FOR STATES, REGIONS, AND THE UNITED STATES, 1973
(IN THOUSANDS)

STATE AND REGION	STATE TAX REVENUE	LOCAL TAX REVENUE	TOTAL TAX REVENUE
NEW ENGLAND STATES	$ 4170914	$ 3961700	$ 8132614
CONNECTICUT	1142579	1100700	2243279
MAINE	303648	227900	531548
MASSACHUSETTS	2054097	2099300	4153397
NEW HAMPSHIRE	179168	203500	382668
RHODE ISLAND	315546	216500	532046
VERMONT	175876	113800	289676
MIDDLE ATLANTIC STATES	$ 14778063	$ 13520200	$ 28298256
DELAWARE	265438	77400	342838
NEW JERSEY	1919365	2739200	4658565
NEW YORK	8169982	8151900	16321882
PENNSYLVANIA	4423278	2551700	6974978
NORTH CENTRAL STATES	$ 18191312	$ 14435900	$ 32627200
ILLINOIS	3675603	3237800	6913403
INDIANA	1256376	1267900	2524276
IOWA	878069	705200	1583269
KANSAS	609740	593100	1202840
MICHIGAN	3585049	2254200	5839249
MINNESOTA	1638456	922200	2560656
MISSOURI	1221719	1057000	2278719
NEBRASKA	375125	423100	798225
NORTH DAKOTA	179716	121700	301416
OHIO	2752175	2475900	5228075
SOUTH DAKOTA	151297	192000	343297
WISCONSIN	1868002	1185800	3053802
SREB STATES	$ 17963056	$ 10002700	$ 27965744
ALABAMA	938663	356800	1295463
ARKANSAS	523033	188200	711233
FLORIDA	2487791	1408300	3896091

ALL NOTES AND FOOTNOTES ARE ON PAGE 108

TABLE 37 (CONTINUED)

STATE TAX REVENUE AS A PERCENTAGE OF TOTAL TAX REVENUE	PER CAPITA TOTAL TAX REVENUE	PER $1,000 PERSONAL INCOME, TOTAL TAX REVENUE
51.3	$ 669.35	$ 128.42
50.9	729.28	122.82
57.1	517.07	126.68
49.5	713.89	135.91
46.8	483.78	103.06
59.3	546.81	112.96
60.7	624.30	154.00
52.2	$ 742.66	$ 134.77
77.4	595.20	103.02
41.2	632.87	108.27
50.1	893.61	156.64
63.4	586.03	117.37
55.8	$ 566.44	$ 107.62
53.2	615.29	106.63
49.8	474.84	95.22
55.5	545.20	103.39
50.7	527.79	99.51
61.4	645.65	116.32
64.0	657.08	127.91
53.6	479.02	98.94
47.0	517.66	98.22
59.6	470.96	82.69
52.6	487.19	95.97
44.1	501.16	106.32
61.2	668.37	140.71
64.2	$ 450.91	$ 102.11
72.5	366.05	94.56
73.5	349.16	88.35
63.9	507.44	103.07

TABLE 37 (CONTINUED)

STATE AND REGION	STATE TAX REVENUE	LOCAL TAX REVENUE	TOTAL TAX REVENUE
SREB STATES (CONTINUED)			
GEORGIA	1361546	762300	2123845
KENTUCKY	1020036	343300	1363336
LOUISIANA	1189427	532700	1722127
MARYLAND	1456203	1113400	2569603
MISSISSIPPI	670380	220700	891080
NORTH CAROLINA	1657474	647300	2304774
SOUTH CAROLINA	825183	267300	1092483
TENNESSEE	1002358	719800	1722158
TEXAS	2818943	2315700	5134643
VIRGINIA	1427445	948100	2375545
WEST VIRGINIA	584582	178600	763382
MOUNTAIN STATES	$ 3542549	$ 2486200	$ 6028749
ARIZONA	681958	513400	1195358
COLORADO	666606	702400	1369006
IDAHO	232803	123900	356703
MONTANA	195461	196100	391561
NEVADA	212871	168000	380871
NEW MEXICO	386671	106800	493471
OKLAHOMA	691153	396300	1087453
UTAH	368123	193600	561723
WYOMING	106903	85700	192603
PACIFIC STATES	$ 9814903	$ 9521000	$ 19335888
ALASKA	109043	57100	166143
CALIFORNIA	7323804	7982600	15306404
HAWAII	432620	142100	574720
OREGON	635799	596800	1232599
WASHINGTON	1313637	742400	2056037
DISTRICT OF COLUMBIA	--	$ 501303	$ 501303
ALL STATES INCLUDING DISTRICT OF COLUMBIA	$ 68460512	$ 54428736	$ 122889248

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TABLE 37 (CONTINUED)

STATE TAX REVENUE AS A PERCENTAGE OF TOTAL TAX REVENUE	PER CAPITA TOTAL TAX REVENUE	PER $1,000 PERSONAL INCOME, TOTAL TAX REVENUE
64.1	443.76	100.98
74.8	407.94	101.15
69.1	457.53	116.40
56.7	631.35	115.03
75.2	390.65	109.85
71.9	437.09	102.09
75.5	400.76	103.24
58.2	417.39	101.92
54.9	435.36	95.24
60.1	493.77	101.06
76.6	425.52	107.41
58.8	$ 510.35	$ 111.60
57.1	580.83	123.81
48.7	561.76	111.71
65.3	463.25	104.97
49.9	543.08	115.98
55.9	645.02	120.99
78.4	446.18	115.78
63.6	408.36	94.09
65.5	489.50	119.24
55.5	545.62	116.24
50.8	$ 705.25	$ 130.02
65.6	503.46	84.85
47.8	742.99	134.57
75.3	690.77	125.43
51.6	553.98	114.63
63.9	599.60	116.33
--	$ 671.99	$ 106.03
55.7	$ 585.60	$ 116.17

NOTES AND SOURCES FOR TABLES

(Figures in columns and rows may not add to totals because of rounding)

TABLE 1

The average rate per $1,000 of personal income for states using this tax is $22.179.

Figures for the following states reflect state and local general sales tax collections: New York, Illinois, Kansas, Minnesota, Missouri, Nebraska, Ohio, South Dakota, Alabama, Arkansas, Georgia, Louisiana, Mississippi, North Carolina, Tennessee, Texas, Virginia, Arizona, Colorado, Nevada, New Mexico, Oklahoma, Utah, California, and Washington. Alaska has a local general sales tax only.

SOURCE: Population: U. S. Bureau of the Census, Population Estimates and Projections, Series P-25, No. 508, November 1973 (provisional July 1, 1973 estimates); Personal Income: U. S. Department of Commerce, Office of Business Economics, Survey of Current Business, August 1974, Tables 1 and 2; State Collection Data: U. S. Department of Commerce, Bureau of the Census, State Government Finances in 1973, Series GF73, No. 3, August 1974, Table 7. Local Collection Data: U. S. Department of Commerce, Bureau of the Census, Government Finances in 1973, Series GF73, September 1974, Tables 4 and 17; and estimates based on disaggregated local tax collection data furnished by U. S. Department of Commerce.

TABLE 2

The average rate per $1,000 of personal income for states using these taxes are as follows: for alcoholic beverages, $2.161; for tobacco products, $3.107; for insurance taxes, $1.526; for public utility taxes, $3.645; and for other selective sales taxes, $1.166. Alcoholic beverage taxes include profits from state operated stores. Public utility taxes include profits from locally owned utilities.

Minnesota, North Carolina, and South Dakota net profits from municipal liquor stores not included in alcoholic beverage tax computations.

Public utility sales tax figures for all states include local sales taxes and/or profits in the cases of publicly owned utilities except in Massachusetts, which collects no public utility taxes.

Alcoholic beverage tax figures for the following states include state liquor store profits: Maine, New Hampshire, Vermont, Pennsylvania, Iowa, Michigan, Ohio, Alabama, Mississippi, Virginia, West Virginia, Idaho, Montana, Utah, Wyoming, Oregon and Washington.

SOURCE: See citations for Table 1. Also, Government Finances in 1973, Table 21, and State Government Finances in 1973, Table 14.

TABLE 3

The average rate per $1,000 of personal income for states using this tax is $1.362.

SOURCE: See Citations for Table 1.

TABLE 4

The average rate per $1,000 of personal income is $42.812.

Figures for the following states reflect local property taxes only (no state property taxes collected): Connecticut, Rhode Island, South Dakota, Tennessee, Oklahoma and Hawaii.

TABLE 5

The average rate per $1,000 of personal income for states using these taxes are: Individual income taxes, $20.803; corporate income taxes, $5.552; local business net income taxes are included in individual income taxes. In computing the average tax rate for individual income taxes, states not employing a broad based tax were eliminated. These included Connecticut, New Hampshire, New Jersey and Tennessee.

Figures for the following states include local individual and business income taxes: Delaware, New Jersey, New York, Pennsylvania, Michigan, Missouri, Ohio, Alabama, Kentucky, Maryland and Virginia.

SOURCE: See citations for Table 1; and U. S. Department of Commerce, Bureau of the Census, State Tax Collections in 1973, Series GF73, No. 1, Table 8.

TABLE 6

The average rate per $1,000 of personal income for states using this tax is $.134.

SOURCE: See citations for Table 1.

TABLE 7

The average rate per registered vehicle for states using this tax is $29.20.

Figures include local motor vehicle and operators license taxes if collected.

SOURCE: See citations for Table 1; and 1973/74 Automobile Facts and Figures (Detroit: Motor Vehicle Manufacturers Association, 1973), p. 17.

TABLE 8

The average rate per registered vehicle is $65.254.

Figur s for the following states include local motor fuel taxes: New York, .labama, Florida, Mississippi, Nevada and Hawaii.

SOURCE: See citations for Table 1 and Table 7.

TABLE 9

The average rate per $1,000 of value for states using this tax is $32.428.

SOURCE: See citations for Table 1; and U. S. Department of the Interior, Minerals Yearbook, 1972, Volume I (Washington, D.C.: U. S. Government Printing Office, 1974), Table 4, p. 88; U. S. Department of Commerce, Current Fishery Statistics, No. 6100, Fisheries of the United States, 1972 (Washington, D.C.: U. S. Government Printing Office, March 1973), p. 22; and U. S. Bureau of the Census, Census of Agriculture, 1969, Volume II, General Report, Chapter 7, Value of Products, Economic Class, Contracts (Washington, D.C.: U. S. Government Printing Office, 1973), Table 3.

TABLE 10

The average rate per $1,000 of personal income for states using this tax is $.619.

New York and Texas were excluded in the computation of the average rate.

Local realty transfer tax in city of Wilmington, Delaware, at a rate of one percent.

Local tax in New York City on transfers of real property where consideration is over $25,000.

Local taxes authorized in Pennsylvania. Over 1,000 school districts and 850 other units impose this tax.

Tax in Indiana restricted to corporations subject to gross income tax.

A local tax is authorized in Ohio, South Carolina, West Virginia and California.

City of Baltimore, Maryland, and specified counties are authorized to levy this tax.

Virginia counties and cities levy a tax of one-third the state tax.

In Washington, a county tax is authorized and employ d in all 39 counties, on real estate at a one percent rate.

SOURCE: See citations for Table 1 and Advisory Commission on Intergovernmental Relations, State-Local Finances: Significant Features and Suggested Legislation, 1972 Edition, (Washington, D.C.: U. S. Government Printing Office), Table 112.

TABLE 11

SOURCE: See citations for Table 1.

TABLE 12

SOURCE: Tables 1 through 10.

TABLE 13

SOURCE: Table 1.

TABLE 14

SOURCE: Table 1 and 2.

TABLE 15

SOURCE: Table 1 and 4.

TABLE 16 and TABLE 17

SOURCE: Table 1 and 5.

TABLE 18

SOURCE: Tables 1, 2, 4, 5 and 11.

TABLE 19

Tax burden equals total state and local taxes as a percentage of personal income divided by per capita income.

SOURCE: Table 1; Governmental Finances in 1973, Table 17; and Henry J. Frank, "Measuring State Tax Burdens," National Tax Journal, XXI, June 1959, p. 183.

TABLES 20 through 34

If "net unutilized potential" is positive (+), it indicates that this state (or region) would have collected this additional amount of revenue if these taxes were employed at the average rate. A negative (-) figure indicates that this state (or region) collected this amount more than it would have, had it applied the average rate.

SOURCE: Tables 1 through 10.

TABLE 35

SOURCE: Department of the Treasury, Internal Revenue Service, Statistics of Income, 1971, Individual Income Tax Returns, (Washington, D.C.: U. S. Government Printing Office, December 1973), Table 5.5.

TABLE 36

SOURCE: Tables 1 through 10.

TABLE 37

State Tax Revenue includes profits from state owned liquor stores. Local Tax Revenue includes profits (losses excluded) from publicly owned utilities.

SOURCE: See citations for Table 1.

APPENDIX A

MAJOR TAX ACTIONS IN 1973 AND 1974

MAJOR TAX ACTIONS IN 1973

1973 was a significant year for state tax activity. Following almost three decades of major tax increases, state revenue-raising almost stopped this year. Although many states enacted increases (See Table 1-A), most of these raises were of minor dollar importance or were designed to finance property tax relief. In fact, rate reductions and the especially widespread property tax relief were more customary during 1973 with the number of major rate decreases exceeding the number of major rate increases. Several factors accounted for this trend reversal. With rapidly rising prices and income and expanded tax systems, revenues had grown quickly. Expenditure requirements had increased less rapidly; education raises, for example, were tempered by slower growth in attendance or greater property tax relief. Federal revenue sharing appearing in state budgets for the first time also provided significant leeway for tax reductions. Major revenue-raising legislation enacted in 1973 is listed in Table 1-A and discussed briefly below.

General Sales Taxes

Only Indiana increased its general sales tax rate from 2.0 percent to 4.0 percent to help finance a property tax relief program. Food items for home consumption were made exempt, though, and the gross income tax on wholesale and retail sales were to be phased out until 1992 when no tax will be imposed. California postponed the

TABLE 1-A

STATES ENACTING REVENUE-RAISING LEGISLATION IN 1973
(Selected Taxes)

State	Sales	Individual Income	Corporate Income	Motor Fuel	Tobacco	Alcoholic Beverages
Alaska			a			
Arkansas		b	c	X		
Colorado					X	
Connecticut			d			
Delaware		X		e		
Florida			f			
Georgia			c			X
Indiana	X		X[g]			
Kansas			h		i	
Maine			X			
Maryland			j			
Massachusetts			k			
Michigan				X		
Minnesota			l			X
Montana			m			
New Jersey			n			
New York				o		
North Dakota		X		p		
Oregon			q			
South Carolina						X
Tennessee			r			
Utah		X	c			
Washington						X
Wyoming			c e			

X Indicates rate raises
a Increased rate on bank income tax
b Made dividends from financial institutions taxable
c Enacted new bank income tax
d Enacted new domestic insurance company income tax
e Temporary
f Enacted new savings institutions income tax
g Also enacted supplemental income tax
h Eliminated federal tax deduction
i Enacted privilege tax on distributors
j Extended income tax to all savings funds of savings institutions
k Increased rate on interstate corporate income
l Continued higher rate on bank income tax
m Made permanent a temporary tax and eliminated a temporary decrease
n Enacted new savings institutions tax and supplemental corporate income tax
o Continued indefinitely motor fuel road tax on interstate buses
p Increased tax on jet fuel
q Made all business trusts subject to income tax
r Postponed reducing temporarily increased rate

Source: Federation of Tax Administrators, Tax Administrators News, September 1973; and Commerce Clearing House, Inc., State Tax Review, Vol. 35, No. 3, January 15, 1974.

increase in its general rate from 3.75 percent to 4.75 percent from June 1 to July 1, 1973, and then reduced the rate temporarily to 3.75 percent October 1 through March 1974, when it was scheduled to return to 4.75 percent. Tennessee postponed reducing its temporarily increased rate of 3.5 percent until July 1, 1974, when the rate was to drop to 3.0 percent. The sales tax rate was cut in Connecticut from 7.0 percent to 6.5 percent. State rates as of October 22, 1974, are listed in Table 2-A.

Louisiana also exempted food, and North Dakota expanded its food exemption to more items. Exemptions for drugs, medical supplies, school books, pollution control equipment, food sales in special nutrition programs, and sales by nonprofit organizations continued to proliferate. Hawaii broadened the eligibility of the disabled for the special low 0.5 percent tax. Although special relief was accorded many items such as boiler fuel and returnable containers, some items lost their special tax treatment--notably the Iowa sales tax credit for fuel tax and purchases by public utilities in Indiana not directly used in providing utility services.

A Denver Metro Transit general sales tax of 0.5 percent was approved by the voters, and Wyoming authorized a 1.0 percent county sales tax. The upper limit of Kansas local sales tax rate was raised from 1.0 percent to 1.5 percent, and Oklahoma cities and towns were permitted to tax sales up to 2.0 percent. Missouri allowed local governments to enact a 0.5 percent sales tax for transportation purposes.

TABLE 2-A

STATE GENERAL SALES TAX RATES
(October 22, 1974)

State	Current Rate (percent)	State	Current Rate (percent)
Alabama	4.00	Missouri	3.0
Arizona	4.00	Nebraska	2.5
Arkansas	3.00	Nevada	3.0
California	4.75	New Jersey	5.0
Colorado	3.00	New Mexico	4.0
Connecticut	6.00	New York	4.0
District of Columbia	5.00	North Carolina	3.0
Florida	4.00	North Dakota	4.0
Georgia	3.00	Ohio	4.0
Hawaii	4.00	Oklahoma	2.0
Idaho	3.00	Pennsylvania	6.0
Illinois	4.00	Rhode Island	5.0
Indiana	4.00	South Carolina	4.0
Iowa	3.00	South Dakota	4.0
Kansas	3.00	Tennessee[1]	3.5
Kentucky	5.00	Texas	4.0
Louisiana	3.00	Utah	4.0
Maine	5.00	Vermont	3.0
Maryland	4.00	Virginia	3.0
Massachusetts	3.00	Washington	4.5
Michigan	4.00	West Virginia	3.0
Minnesota	4.00	Wisconsin	4.0
Mississippi	5.00	Wyoming	3.0

1. The decrease in the rate to 3 percent originally scheduled to be effective July 1, 1974, has been postponed until July 1, 1975.

Source: Commerce Clearing House, Inc., State Tax Review.

Individual Income Taxes

Tax rates were raised only in Delaware, which increased the rate range by 10.0 percent. In addition, Delaware expanded the base to include all capital gains and interest from U. S. government securities. Arkansas made dividends from financial institutions taxable.

Several states reduced individual income tax rates. California provided for a one-year sliding scale tax credit. Nebraska dropped its overall rates from 15.0 percent of federal liability to 13.0 percent in 1973 and 11.0 percent in 1974. Both New York and New Jersey suspended their 2.5 percent tax surcharges for 1973. Arkansas exempted those below certain income levels and reduced rates for some incomes in excess of these levels. Persons filing a joint return in Ohio in 1973 and 1974 are allowed a credit against tax, ranging from 20 percent when adjusted gross income is $10,000 or less to 5 percent when adjusted gross income is $20,000 or over. Michigan, Mississippi, Wisconsin, and Idaho (temporarily) raised personal exemptions.

More specific relief included the following: higher standard deductions and additional deductions and exclusions in Mississippi; higher minimum net income for paying taxes in Iowa and Wisconsin; deductibility of federal income taxes in Louisiana; exemption of public pensions by Minnesota; and elimination of the tax on dividends by Connecticut. Utah and North Dakota revised their tax rate schedules with the result that taxes paid by some persons increase and those paid by others decrease.

Indiana authorized its counties to impose a levy of up to 1.0 percent of adjusted gross income of residents and up to 0.25 percent

for nonresidents, and 31 of its 92 counties promptly adopted the new levy. The Detroit school district was authorized to impose a surtax on the city's individual and corporate income taxes.

Corporate Income Taxes

Income tax rates on corporations were raised in Indiana from 2 percent to 3 percent, and a supplemental income tax to be equal to 3 percent by 1977 was also imposed. Maine raised its rates too from a flat 4 percent to 6 percent on net income over $25,000 on July 1, 1973, and then to a 5 to 7 percent range on January 1, 1974. New Jersey enacted a 7.25 percent supplemental corporation income tax on corporations not subject to its franchise tax. Kansas permanently discontinued the deduction for federal income taxes, and Montana both made permanent its temporary higher tax and eliminated a temporary decrease. Delaware continued existing rates by replacing a temporary surcharge with a higher basic rate of 7.2 percent. Oregon, where voters defeated a proposed new business profits tax and a corporate income tax rate raise, subjected all business trusts to its income tax. Nebraska, however, lowered its general rate from 3.75 percent to 3.25 percent, and Louisiana made federal income taxes deductible.

Several states imposed new or higher income taxes on financial institutions. Alaska increased rates on banks, and Georgia applied its income tax to banks. National banks in Utah became subject to that state's income and excise taxes. Wyoming (temporarily) and Arkansas replaced bank share taxes with income taxes on banks, and Minnesota continued its temporary, higher rates on banks until

January 1, 1974. New Jersey and Florida imposed income taxes on savings institutions, and all savings funds of Maryland savings institutions became subject to that state's franchise tax. Connecticut made domestic insurance companies subject to its franchise tax.

Selective Sales Taxes

Delaware (temporarily), Arkansas, and Michigan increased motor fuel taxes. Illinois made all watercraft fuel subject to its motor fuel tax, and North Dakota imposed an excise tax on jet fuel. The New York motor fuel road tax on interstate buses, scheduled to expire in June 1973, was continued indefinitely. Connecticut authorized the levy of a gasoline tax by transit districts. Louisiana repealed its lubricating oils tax.

The cigarette tax was increased only in Colorado. Iowa imposed the cigarette tax on little cigars. Arizona and Virginia raised the wholesalers' discounts, and Kansas levied a privilege tax on distributors of tobacco products. Motor fuels and cigarette tax rates (as of October 22, 1974) are reported in Tables 3-A and 4-A, respectively.

Tax rates on all alcoholic beverages were increased in Indiana, while the rates on wine were increased in Washington. South Carolina doubled the tax on nonstandard cases of liquor. Georgia authorized municipalities and counties to impose a local excise tax on the sale of malt beverages. The rate on distilled spirits was reduced in Minnesota.

TABLE 3-A

MOTOR FUEL TAX RATES
(October 22, 1974)

State	Rate (cents per gallon) Gasoline	Diesel	State	Rate (cents per gallon) Gasoline	Diesel
Alabama	7.0	8.0	Missouri	7.00	7.0
Alaska	8.0	8.0	Montana	7.00	9.0
Arizona	8.0	8.0	Nebraska	8.50	8.5
Arkansas	8.5	9.5	Nevada	6.00	6.0
California	7.0	7.0	New Hampshire	9.00	9.0
Colorado	7.0	7.0[a]	New Jersey	8.00	8.0
Connecticut	10.0[a]	10.0[a]	New Mexico	7.00	7.0
Delaware	9.0[b]	8.0	New York	8.00	10.0
District of Columbia	8.0	8.0	North Carolina	9.00	9.0
Florida	8.0	8.0	North Dakota	7.00	7.0
Georgia	7.5	7.5[c]	Ohio	7.00	7.0
Hawaii	8-10[c]	8-10[c]	Oklahoma	6.58	6.5
Idaho	8.5	8.5	Oregon	7.00	7.0
Illinois	7.5	7.5	Pennsylvania	9.00	9.0
Indiana	8.0	8.0	Rhode Island	8.00	8.0
Iowa	7.0	8.0	South Carolina	8.00	8.0
Kansas	7.0	8.0	South Dakota	7.00	7.0
Kentucky	9.0	9.0	Tennessee	7.00	8.0
Louisiana	8.0	8.0	Texas	5.00	6.5
Maine	9.0	9.0	Utah	7.00	7.0
Maryland	9.0	9.0	Vermont	9.00	0.0
Massachusetts	7.5	7.5	Virginia	9.00	9.0
Michigan	9.0	7.0	Washington	9.00	9.0
Minnesota	7.0	7.0	West Virginia	8.50	8.5
Mississippi	9.0	10.0	Wisconsin	7.00	7.0
			Wyoming	7.00	7.0

a. Transit districts are authorized to levy an additional 1 percent.
b. Reduction to 8 cents scheduled July 1, 1974, postponed indefinitely.
c. Varies by county.

Source: Commerce Clearing House, Inc., State Tax Guide, p. 4015.

TABLE 4-A

CIGARETTE TAX RATES
(October 22, 1974)

State	Rate (cents per package)	State	Rate (cents per package)
Alabama	12.00	Missouri	9.0
Alaska	8.00	Montana	12.0
Arizona	13.00	Nebraska	13.0
Arkansas	17.75	Nevada	10.0
California	10.00	New Hampshire[2]	42 percent
Colorado	10.00	New Jersey	19.0
Connecticut	21.00	New Mexico	12.0
Delaware	14.00	New York	15.0
District of Columbia	6.00	North Carolina	2.0
Florida	17.00	North Dakota	11.0
Georgia	12.00	Ohio	15.0
Hawaii[1]	40 percent	Oklahoma	13.0
Idaho	9.10	Oregon	9.0
Illinois	12.00	Pennsylvania	18.0
Indiana	6.00	Rhode Island	13.0
Iowa	13.00	South Carolina	6.0
Kansas	11.00	South Dakota	12.0
Kentucky	3.00	Tennessee	13.0
Louisiana	11.00	Texas	18.5
Maine	16.00	Utah	8.0
Maryland	6.00	Vermont	12.0
Massachusetts	16.00	Virginia	2.5
Michigan	11.00	Washington	16.0
Minnesota	18.00	West Virginia	12.0
Mississippi	11.00	Wisconsin	16.0
		Wyoming	8.0

1. The Hawaii rate is a percentage of wholesale price.
2. The New Hampshire rate is based on value sold at retail measured by usual selling price.

Source: Commerce Clearing House, Inc., State Tax Review, Vol. 35, No. 42, p. 1, October 15, 1974.

Other Taxes

Increased relief from property tax burdens in the form of income tax credits and exemptions continued to grow. In 1973 more than two-thirds of the states adopted or expanded selective types of personal property tax relief and real property tax relief to the elderly, to the disabled, to those with low-to-moderate incomes, and across the board. Before the end of the year all states had some form of relief.

Estate taxes were increased in Oklahoma, reduced in Wisconsin and Utah, and newly imposed in New Mexico. Wisconsin also lowered its gift and inheritance tax rates. North Carolina granted the surviving husband the same inheritance exemption as the surviving wife.

Minnesota imposed a new excise tax on employers based on the taxable compensation paid by them to employees. Indiana increased the license tax on certain motor vehicles, and Louisiana repealed its taxes on the generation or sale of electricity and the use of power.

Massachusetts imposed a temporary surtax on domestic insurance companies, and New York reduced the supplemental taxes on domestic insurers. Mississippi and North Carolina reduced or eliminated taxes on premiums on federally qualified insurance and annuity plans.

Alaska increased its gross production tax on oil and lowered an alternative per barrel tax. Louisiana increased its severance tax rate on gas and placed its oil severance tax on an ad valorem basis. Montana increased the maximum oil and gas conservation assessment and levied an extraction tax on all minerals. Alabama imposed a privilege

tax on those who process forest products or use them in manufacturing, and Oregon enacted a temporarily higher forest products harvest tax.

Nebraska and New York raised pari-mutuel rates, and Connecticut and Maine lowered certain pari-mutuel rates.

A federal law enacted in 1973 now prohibits states from imposing boarding fees or head taxes on persons traveling in air commerce.

MAJOR TAX ACTIONS IN 1974

General Sales Taxes

This year Arizona increased its general sales and use tax rate from 3.0 to 4.0 percent, and by a 1973 law, California raised its state from 3.75 to 4.75 percent. Tennessee postponed lowering its 3.5 percent rate to 3.0 percent from July 1, 1974, to July 1, 1975, while also postponing a slight rise in the local tax rate ceiling. Connecticut reduced its general rate from 6.5 percent to 6.0 percent.

Although most of the other state actions involved exemptions, both Virginia and South Dakota broadened their sales tax bases. Arizona also imposed a special 2 percent excise tax for education on several types of businesses already subject to a 2 percent sales and use tax rate. Exemptions for drugs, medical supplies, pollution control equipment, and services sold by nonprofit organizations were adopted by still more states. Four states (Idaho, Illinois, Indiana, and Wyoming) exempted meals sold to the elderly or confined under nutrition programs. Iowa exempted all food eligible for purchase with food stamps, and both Colorado and Nebraska increased the food sales tax credits allowed against income taxes. Three New England states

(Maine, Rhode Island, and Vermont) reduced manufacturing tax burdens by lowering or eliminating sales taxes on manufacturing equipment and machinery. Other states enacting sales tax exemptions included Arizona, California, Florida, New York, and Virginia.

Illinois has authorized municipal and county use taxes of not more than 1.0 percent. Ohio, Utah, and Washington have authorized local sales taxes for public transit purposes once the local electorates approve. The maximum rates are 1.5 percent, 0.25 percent, and 0.3 percent, respectively. California has extended the 0.5 percent BART transactions and use tax until 1978.

Individual Income Taxes

Thus far in 1974 no state has enacted a general rate increase. For the second consecutive year Oregon voters rejected individual and corporate income tax rate increases, and the new Louisiana constitution prohibits rates higher than the present ones. Georgia, however, made bank dividends taxable, and North Carolina eliminated the deductions for dividends from domestic financial institutions. Vermont subjected sales of five acres or less of land to a special capital gains tax, and California disallowed deductions arising from ownership of substandard housing.

Four states reduced taxes generally. New Mexico lowered rates for most brackets and increased credit for state and local taxes paid by lower income taxpayers. Pennsylvania decreased its 2.3 percent rate to 2.0 percent and enacted total forgiveness or total or partial refunds for low income families. Both Ohio and Montana raised personal exemptions. Iowa doubled both the optional standard deduction and the

deduction limit for federal taxes, and New York extended the suspension of the 2.5 percent surcharge for another year.

Several states enacted or extended other various credits for low income, investment, and sales (especially food) and excise taxes. A deduction for day care expenses was adopted by three states. Increased benefits for the elderly were variously achieved by: an increased deduction for the surviving spouse (California), exemption of capital gains for a residence of five years (Connecticut), exemption of pensions and retirement premiums from qualified plans (Iowa) and public employees' retirement pensions (West Virginia), and an additional exemption against pension income (South Carolina). Massachusetts excluded from its income tax the interest or dividends from time deposits of less than $100,000. North Carolina allowed resident owners of multi-family structures a new tax credit.

In terms of local taxing authority, Indiana counties that had initially rejected a local income tax could reconsider the decision sooner than formerly, and New York City was authorized to continue its higher rates for another year.

Corporate Income Taxes

Arizona increased the rates on all the corporate income tax brackets ranging from 2.0 to 2.5 percent on the first $1,000 to 10.5 percent rather than 8.0 percent on net taxable income over $6,000. Vermont also raised rates by replacing a flat 6.0 percent with rates ranging from 5.0 percent on the first $10,000 to 7.5 percent on excess over $250,000. Maryland restored the oil percentage depletion allow-

ance to the computation of taxable net income. And one state, Pennsylvania, reduced its net income tax from 11.0 to 9.5 percent.

More financial institutions became subject to income taxation as Delaware, North Carolina, and Georgia replaced various other taxes on banks with state income taxes. Bank holding companies in Michigan became subject to the income tax, and the South Carolina bank income tax was no longer in lieu of various other taxes.

Relief granted in 1974 was fairly selective. Dividends in the District of Columbia from companies already subject to certain District taxes were exempted. Among other measures New York and Rhode Island raised investment tax credit, and Tennessee liberalized the definition of owned subsidiary for purposes of dividend exclusion. Indiana granted increased credit against gross income for hiring unemployed persons, and Arizona allowed deductions for the cost of constructing day care facilities. Both New York and North Carolina encouraged housing investment by respectively granting an exemption to limited profits housing companies and granting a limited tax credit for each unit completed to corporate owners of multi-family structures built for the handicapped.

Special Sales Taxes

Motor fuels taxes were raised by two states, Arizona and Pennsylvania, and a higher rate scheduled to end was continued indefinitely in Delaware. Six states allowed partial or full gas tax refunds when sold for uses in such vehicles as school or public buses and construction equipment.

Cigarette tax rates were increased in Arizona and Maine, and little cigars were subjected to the cigarette tax rate in Minnesota. Rhode Island repealed the tax of 25 percent of the wholesale price that had been levied on cigars and non-cigarette tobacco. The Louisiana taxes on tobacco were placed on an ad valorem basis, using invoice price, rather than the former combination of retail price and weight for cigars and retail price for tobacco.

Arizona increased its rate on distilled spirits, and Montana increased its ad valorem license tax on liquor and its per barrel tax on beer. Massachusetts raised its tax rates on wine, while Oregon levied an additional privilege tax on wine. Vermont replaced its volume basis for taxing wine and liquor with an ad valorem basis. Idaho, however, reduced the surcharge on liquor sold through the state stores, and Louisiana reduced the rate on beverages of low alcoholic content. Georgia required counties and municipalities permitting sale to levy a local beer excise tax, and West Virginia placed a tax on liquor purchased outside municipalities.

Other Taxes

The recent surge of property tax relief programs abated somewhat in 1974. Only 19 states enacted new and increased realty tax credits and exemptions for especially the elderly, the poor, and the disabled, and only about half the states enacted some form of property tax relief. Both the District of Columbia and Massachusetts initiated realty tax deferral measures, mainly benefiting lower income and elderly homeowners. Michigan permitted exemptions for industrial facilities improvements in plant rehabilitation districts.

Other prevalent realty tax changes included new assessment ratios for different classes of property, and use value rather than market values as the basis for valuing agricultural and open space land. The trend to eliminate additional items from the personal property tax base was evident in several states.

State action in inheritance and estate taxation was mostly confined to increased inheritance tax exemptions in Iowa, Montana, Pennsylvania, and South Dakota. Kentucky exempted from inheritance and estate taxes that value of the annuity on federally qualified plans which is attributable to the employer contribution.

Several states chose to raise or enact new severance taxes in 1974: New Mexico (oil, gas, and coal); Oklahoma (oil and gas); Nebraska (oil and gas); Tennessee (coal); Mississippi (timber); and Wisconsin (copper concentrates). Louisiana continued indefinitely its severance tax on low oil producers, and Minnesota limited mining tax deductions. New Hampshire levied an ad valorem tax on refined petroleum products to be paid by the refiner. Only Wyoming reduced its ad valorem severances taxes.

Pari-mutuel rates were changed only in two states, Connecticut and New York, where they were raised. Noteworthy among the miscellaneous tax changes was the California adoption of an electrical energy consumption tax of 0.10 mil per kilowatt hour. A new franchise (net income) tax on insurers was enacted by New York, and the long-contested Chicago employer tax of $3 per employee was upheld by the Illinois Supreme Court.